



Department of
Education

Individualized Education
Account (IEA) Program

Tennessee Individualized Education Account (IEA) Program Parent Handbook*

Jan. 1 – July 31, 2017



***Please Note:** The information in this handbook is pending approval of the Rules for the IEA Program.



If you need accommodations to access IEA materials, si habla español, or please contact the IEA team at IEA.Questions@tn.gov.

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Individualized Education Account (IEA) Program Parent Handbook Overview

What is the IEA Program?

The IEA Program creates accounts (IEAs) for eligible students with disabilities to use public funds for educational purposes. The program provides options for parents/guardians to **choose** the **education opportunities** that best meet their child's own unique needs. The average amount of the IEA award is approximately **\$6,300** but will vary across school districts.

Who is eligible for the IEA Program?

The IEA Program is for students in grades K–12. Students who reach 22 years of age on or before Aug. 15 would not be eligible receive an Individualized Education Account (IEA) for that school year.

An “eligible student” must be a Tennessee resident who meets **all** of the following criteria:

1) has an active individualized education program (IEP) through a public school district in effect at the time of request for participation in the program; **and**

2) meets at least **one of the following requirements**:

- was previously enrolled in a Tennessee public school during the two semesters (or one full school year) immediately preceding the semester in which the student receives an IEA,
- is entering kindergarten with an active IEP from a pre-kindergarten program*,
- moved to Tennessee within six months prior to the date the student receives an IEA and has an active out-of-state IEP at the time of applying for the IEA Program**, or
- received an IEA in the previous year; **and**

3) has one of the following disabilities identified in their IEP:

- autism,
- deaf-blindness,
- hearing impairments,
- intellectual disability,
- orthopedic impairments,
- traumatic brain injury, and/or visual impairments.

*If a student has an IEP prior to enrolling in kindergarten, the student will be eligible to receive an IEA without having to attend a Tennessee public school; however, the student would have to register with the school district in which they reside for purposes of calculating the amount of IEA funding the student would be eligible to receive.

**If a student has an active IEP in another state and moves to Tennessee, the student will have to register with the school district in which they reside in order to be eligible to participate in the IEA Program.

What are my child's educational choices in the IEA Program?

Students enrolled in the IEA Program **cannot** be enrolled full-time in a public school.

Students can either be:

- enrolled in an **independent home school** registered with the school district, **or**
- enrolled in a **private school** (including private virtual schools).

Students can transfer from one school to another during the school year or withdraw from the IEA Program and return to his/her home district at any time.

What educational expenses are approved in the IEA Program?

1. Tuition, fees and/or required textbooks at participating private schools
2. Tuition or fees for a nonpublic online learning program or course
3. Tuition, fees and/or required textbooks at eligible postsecondary institutions
4. Tutoring services provided by qualified tutors (pre-approval required)
5. Educational therapies or services provided by qualified therapists (pre-approval required)
6. Curriculum and supplemental materials required by that curriculum
7. Computer hardware or other technological devices (pre-approval required)
8. Transportation fees paid to a commercial transportation provider
9. Contributions to ABLE accounts
10. Contributions to Coverdell education savings account
11. Fees for nationally standardized, norm-referenced achievement tests, AP exams, or any exams related to college or university admission
12. Services provided under contract with a public school, including individual classes and extracurricular programs
13. Fees for the management of the IEA by private financial management firms

What are my child's rights in the IEA Program?

By enrolling your child in the IEA Program, you are agreeing to:

1. take **full legal responsibility** for the education of your child, including obtaining services necessary to educate your child; *and*
2. **waive all** of your child's **rights to services** under the Individuals with Disabilities Education Act (IDEA), and your child will no longer have an active Individualized Education Program (IEP).

While enrolled in the IEA Program, your child's school district is not obligated to provide any services to your child and is not accountable for his/her academic progress. This means that students in the IEA Program:

1. will not receive any **services or accommodations** through the public school system;
2. will no longer have an active **Individualized Education Program (IEP)**;
3. will not be eligible for the services listed in the IEP through the public school system, including test accommodations; and
4. will not be able to get a services plan through a public school district.

What are my responsibilities as a parent in the IEA Program?

As a parent you are responsible for the following:

1. Complying with all state laws, rules, and procedures for the IEA Program.
2. Taking full responsibility for your child's education, including all services necessary to educate your child. This includes enrolling your child in a nonpublic school and providing an education in at least the subjects of reading, grammar, mathematics, social studies, and science.
3. Submitting quarterly expense reports to the TDOE along with receipts for all expenses paid using IEA funds. All IEA funds must be used for the educational benefit of your child.
4. Notifying the school district concerning any changes to your child's participation status in the IEA Program.
5. Notifying the Tennessee Department of Education (TDOE) concerning any changes to your child's participation status in the IEA Program.
6. Annually testing your child if he or she is in grades 3-8, using a nationally norm referenced test or state test (Tennessee Comprehensive Assessment Program). The tests must measure, at minimum, mathematics and English language arts (ELA).
7. Submitting a renewal application each year your child participates in the IEA Program.

8. Regularly checking the IEA Account Holder Portal and the mail at your physical home address for letters/communications from the TDOE.

What happens if I want to withdraw my child from the IEA Program?

An account holder may withdraw a student from the IEA Program any time during the school year. Account holders should consider the following before withdrawing a student from the IEA Program:

- There is only one application window each school year for the IEA Program. If a student withdraws from the IEA Program, he or she will not be able to enroll in the IEA Program until the next school year.
- Parents/Guardians must ensure their student is meeting the compulsory school attendance requirements set by law.
- If the account holder requests, in writing, an evaluation for eligibility pursuant to the Individuals with Disabilities Education Act (IDEA), the Tennessee public school district shall treat the request as a request for an initial evaluation under 34 C.F.R. § 300.301. Upon receiving the request, the public school district must, within **sixty (60) calendar days**, conduct an evaluation to determine eligibility. If the student is determined eligible, pursuant to 34 C.F.R. § 300.323(c)(1), the public school district must conduct a meeting to develop an Individualized Education Program (IEP) within **thirty (30) calendar days** and make specialized instruction and related services available as soon as possible following development of the IEP.

Chapter 1 Key Points

- The Individualized Education Act was passed in 2015 and creates individualized education accounts (IEAs) for eligible students with disabilities to use for educational purposes.
- Parents will receive access to **state and local public education funds** through a prepaid debit card account.
- The average **annual** IEA award is \$6,336, which would be deposited into the IEA in four quarterly payments. This amount will vary per school district.
- Parents can learn more about the IEA Program by:
 - visiting the IEA webpage,
 - attending an in-person information session, **or**
 - subscribing to the monthly IEA e-newsletter, the *IEA Update*.

Chapter 1: Introduction

The Individualized Education Act (T.C.A. § Title 49, Chapter 10, Part 14) creates individualized education accounts (IEAs) for eligible students with disabilities to use for educational purposes. The program provides options for parents/guardians/conservators of certain students with disabilities to choose the education opportunities that best meet the individual needs of their child by giving them direct access to state and local public education funds.

In the remainder of this document, the term “**parent**” will be defined as:

- parents
- legal guardians/conservators

If you have any questions or need additional information about the Individualized Education Account (IEA) Program, please contact the IEA team at: (615) 253-3781 or IEA.Questions@tn.gov.



If you need accommodations to access IEA materials, si habla español, or please contact the IEA team at IEA.Questions@tn.gov.

The Law

The law (T.C.A. § Title 49, Chapter 10, Part 14) was passed by the Tennessee General Assembly during the 2015 legislative session and provides for the awarding of the first individualized education accounts (IEAs). The State Board of Education (SBE) has approved rules for the program (rules of the SBE Chapter 0520-01-11) and the Tennessee Department of Education (TDOE) has developed implementation procedures for the program. Links to the IEA Program law, rules, and procedures are posted on the TDOE website: <http://www.tn.gov/education/topic/tdoe2iea-iea-laws-rules-and-procedures>

What is an Individualized Education Account?

Parents of students who are eligible to participate in the IEA Program will receive access to state and local public education funds through a prepaid debit card account, the IEA account. IEA accounts are administered by the TDOE through a contract with Xerox.

How much funding will students enrolled in the IEA Program receive?

The annual amount of the IEA is equal to 96 percent of the amount representing the per-pupil state and local funds generated and required through the Basic Education Program (BEP)—the state’s funding formula for public education—for the school district in which the student resides and is zoned to attend. The TDOE retains four percent of the amount to pay for costs to administer the IEA Program. Currently, the average anticipated amount of IEA awards across the state is approximately \$6,336 which represents 96 percent of the average per pupil amount of state education funding and the local match. The funds will be deposited into the student’s IEA on a quarterly basis. See Appendix C for the amount of IEA funding students will receive in the Jan.–June 30, 2017 school term.

Purpose of this Handbook

The *IEA Parent Handbook* is designed to provide information about the IEA Program. This is the first year that the IEA Program is being implemented and the TDOE is committed to providing parents and students clear and comprehensive information about the program in a timely manner. This handbook, along with additional information and answers to frequently asked questions about the IEA Program, is posted on the TDOE’s IEA webpage at <http://www.tn.gov/education/section/iea>.

A new *IEA Parent Handbook* will be released every school year. If you have any suggestions for content that should be added to next year’s handbook, please email them to IEA.Questions@tn.gov.

Staying Informed About the IEA Program

Information about the IEA Program, including parent resources and logistics for parent informational meetings, is available on the TDOE’s IEA webpage <http://www.tn.gov/education/section/iea>.

The TDOE will continuously provide updated information on the website, so please check the website regularly for news and information about the IEA Program.

The IEA team will be hosting parent information meetings about the IEA Program, as well as specific training sessions for parents. Information about the dates, times, locations,

agendas, and how to register for the meetings/trainings is posted on the TDOE's IEA webpage.

Parents can also sign-up to receive email updates and the monthly IEA newsletter by clicking on the link posted on the TDOE's IEA webpage.

IEA Program Contact Information

Parents can contact the IEA team and send any questions about the IEA Program to IEA.Questions@tn.gov.

TDOE's Responsibilities

The TDOE is committed to providing parents and students timely, accurate information about the IEA Program. The IEA team is available to provide assistance to parents and answer any questions parents have about the program. For a list of the responsibilities of the TDOE, see Appendix A.

The SBE approves rules for the program, and the TDOE is responsible for administering the program and setting procedures for the program, including developing the student application process, distributing IEA funds to parents, and creating the list of schools approved to receive IEA funds. Any changes made to the administrative procedures developed by the TDOE will be communicated through email, the *IEA Update*, and/or the IEA webpage. Official updates will be gathered annually in this handbook and re-released.

While educational responsibility is transferred from the public school to the parent/student who has reached 18 years of age, each account holder has rights detailed in their contract. The TDOE will not get involved in disputes between parents and third parties unless the implications relate to the continuing eligibility of the student.

Chapter 2 Key Points

To find out if a student is eligible to enroll in the IEA Program, read Chapter 2 **in its entirety**.

- Students must meet **four** eligibility criteria to enroll in the IEA Program:
 1. Meets the residency requirement
 2. Has an active and valid IEP
 3. Has one of the seven qualifying disabilities
 4. Meets the school enrollment requirement for the year prior to when the student enrolls in the IEA Program.
- There is no cap on the number of students who can enroll in the IEA Program; if the student meets the eligibility criteria, the student will be able to enroll in the program.
- A student may continue in the IEA Program until he or she:
 1. returns to a public school,
 2. graduates from high school (including passing the GED or HiSET) , **or**
 3. reaches twenty-two years of age by Aug. 15 of the **next** school year.

Chapter 2: Student Eligibility

In order to receive an IEA, parents must submit an application to the TDOE to determine whether the student meets all the eligibility requirements. There is not a cap on the number of students who may receive an IEA, so any student who is eligible to receive an IEA, will receive an IEA regardless of how many other students are enrolled in the IEA Program. Students are eligible to receive an IEA if they meet the following criteria:

An “eligible student” must be a Tennessee resident who meets **all** of the following criteria:

1) has an active individualized education program (IEP) through a public school district in effect at the time of request for participation in the program; **and**

2) meets at least one of the following requirements:

- was previously enrolled in a Tennessee public school during the two semesters (or one full school year) immediately preceding the semester in which the student receives an IEA,
- is entering kindergarten,*
- moved to Tennessee within six months prior to the date the student receives an IEA, or
- received an IEA in the previous year;** **and**

3) has one of the following disabilities identified in their IEP:

- autism,
- deaf-blindness,
- hearing impairments,
- intellectual disability,
- orthopedic impairments,
- traumatic brain injury, and/or visual impairments.

*If a student has an IEP prior to enrolling in kindergarten, the student will be eligible to receive an IEA without having to attend a Tennessee public school; however, the student would have to register with the school district in which they reside for purposes of calculating the amount of IEA funding the student would be eligible to receive.

**If a student has an active IEP in another state and moves to Tennessee, the student will have to register with the school district in which they reside in order to be eligible to participate in the IEA Program.

If you have questions about whether or not your child is eligible for the IEA Program, please email IEA.Questions@tn.gov.

Term of the IEA

A student who enrolls in the IEA Program will remain eligible until the participating student:

- returns to a public school,
- graduates from high school (including passing the GED or HiSET), or
- reaches twenty-two (22) years of age by Aug. 15 for the next school year, whichever occurs first.

Chapter 3 Key Points

- Parents are encouraged to consider all of their educational options before applying to the IEA Program.
- Students in the IEA Program **cannot** be enrolled fulltime in a public school.
- Students who receive IEAs can either be enrolled in:
 1. a private nonpublic school (including accredited private schools, church-related schools, and special-purpose schools) **or**
 2. an independent homeschool.
- IEA funds can only be used for tuition, fees, and/or required textbooks at a **participating private school**. However, students enrolled in the IEA Program can attend a private school that is not participating in the IEA Program if the parent uses personal funds.
- The list of participating schools is posted on the IEA webpage.

Chapter 3: Education Options for Students with Disabilities

Parents of students with disabilities who are eligible to enroll in the IEA Program should consider all their options before applying to receive an IEA. Tennessee parents can choose from multiple options to educate their children including:

- Public School: Includes traditional public schools, public charter schools, and public virtual education programs
- Private Nonpublic School: Non-public schools such as accredited private schools, church-related schools, and special-purpose schools
- Home school: Tennessee parents can teach their students at home

Please note: Students who receive IEAs can either be enrolled in a private school or be homeschooled; students in the IEA Program cannot be enrolled fulltime in a public school.

For more information on education options in Tennessee, please visit <https://www.tn.gov/education/section/school-options>.

For additional support in understanding your rights and educational options through the Individualized Education Account Program, contact the parent center in your region or local advocacy organization.

Parents should carefully consider the following when deciding which type of school best meets the needs of their child:

1. What services and accommodations the student needs related to his/her disability; a good reference for parents to use when determining the types of services your student needs and the most appropriate educational placement for your student is their Individualized Education Program (IEP) that is created by your student's IEP team at their public school
2. The types of services the school provides related to the student's disability and the cost of those services (see the table below for more information)
3. Whether the school provides inclusive educational settings in which students with disabilities are educated with students who do not have disabilities
4. The cost of attending the school (including any associated fees and transportation expenses)
5. The educational quality of the school as evidenced by student achievement data (e.g., graduation rate, postsecondary matriculation rate, student achievement/growth assessment scores)

6. The credentials of the teachers and staff who will be providing instruction and/or services for your student
7. The educational programs offered
8. The courses offered and the curriculum used by the school
9. The education standards for each instructional grade level and the type of high school graduation achievement award that the student will receive (e.g., high school diploma)
10. The evaluation tools used to measure and report students' academic achievement and growth
11. If paying tuition and fees, the refund policy of the school

School Type	Services for Students with Disabilities
Public School (including charter and public virtual schools)	The Individuals with Disabilities Education Act (IDEA) is a federal law that requires each state to ensure that a free appropriate public education (FAPE) is available to all eligible children with disabilities residing in that state. Public schools must provide students with disabilities all of the IDEA services listed in their Individualized Education Program (IEP). Students with disabilities enrolled in a public school must be educated in the least restrictive environment that is most appropriate for them. The IEP team will determine the appropriate placement for students with disabilities which could include classes at the public school (regular or special education), at home, or a special school, a hospital, an institution, or a private school that the district contracts with to instruct and/or provide services for the student.
Private (Nonpublic) School	Each private school determines what services and accommodations the school will provide for students with disabilities. Private schools are not required to provide services and accommodations for students with disabilities, unless they are accredited through an entity/organization that requires them to do so as part of their accreditation.
Home school	School districts are not required to provide services to students with disabilities who are homeschooled, except for the provision of assessment accommodations if students take the TCAP assessments at a public school.
Individualized	By enrolling their student in the IEA Program, parents are waiving all

Education Account (IEA) Program	the student's rights to IDEA and public schools/districts are not required to provide students enrolled in the IEA Program with any services. Upon entering the IEA Program, a student's IEP is no longer valid. Students who are in the IEA Program and attending a private school are not eligible to receive IDEA services provided by the district to parentally-placed private school students because parents of students in the IEA Program have waived all their rights to IDEA services.
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School Options for Students Enrolled in the IEA Program

Once a student enrolls in the IEA Program, they must enroll in and attend either a private school or homeschool in accordance with Tennessee's school attendance law.¹ Parents must report the type of school the student would attend if enrolled in the IEA Program, either private school or homeschool. The following table explains the education options available to students enrolled in the IEA Program.

School of Record*	Expenses IEA Funds Can be Used For
Private School Category I, II, and III private schools (including online virtual education programs) as defined by SBE rules**	The type of school a student is enrolled in doesn't impact what the IEA funds can be used for. An account holder may use IEA funds to pay for any of the approved expenses (for more information, see Chapter 8). The following are a couple important points to be aware of regarding the acceptable use of IEA funds:
Home school Independent homeschool students who register with their school district Homeschool students	<ul style="list-style-type: none"> • Use of IEA funds for tuition, fees, and/or required textbooks at a participating private school only applies to students enrolled in a Category I, II, or III private schools. • Use of IEA funds for curriculum only applies to curriculum materials purchased by the account holder that are a complete course of study for a particular content area or grade level.

¹ Tennessee requires children ages 6–17 (inclusive) to attend school. 18 year olds are not required to attend school. Certain children ages 6–17 may be temporarily excused from attendance if they meet the exceptions outlined in T.C.A. § 49-6-3005.

enrolled in a satellite program/umbrella school are considered private school students	<ul style="list-style-type: none"> • IEA funds can only be used to pay for transportation fees to participating schools and providers (including approved tutors and therapists). • IEA funds can be used to pay for tuition/fees for online learning programs/courses at Category III private schools.
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*Students enrolled in the IEA Program can attend nonpublic Category 4, 5 and 6 schools but will not be able to use IEA funds to pay for tuition, fees, and/or required textbooks at the school.

**For a list of nonpublic schools that are approved through the IEA Program to receive IEA funds for tuition, fees, and/or required textbooks, please visit the TDOE's IEA webpage <http://www.tn.gov/education/section/iea>

A complete list of all nonpublic schools in Tennessee, including which category the school belongs to, is posted on the TDOE website <https://www.tn.gov/education/topic/non-public-schools>.

For information on homeschooling in Tennessee, please visit the TDOE's homeschool webpage: <https://www.tn.gov/education/topic/home-schooling-in-tn>.

Chapter 4 Key Points

To fully understand the rights waived and account holder responsibilities, parents should read Chapter 4 in its **entirety**.

By accepting the IEA funding and signing the IEA contract, account holders acknowledge

Chapter 4: Parent Rights and Responsibilities

The IEA Program provides options for parents/students who have reached the age of majority (18 years old), hereafter referred to as “IEA account holders,” of certain students with disabilities to choose the education opportunities that best meet the individual needs of the student by giving them direct access to state and local public education funds.

Important Information to Consider Before You Apply

The decision to place a student in the IEA Program should not be taken lightly. By placing a student in the IEA Program, you are agreeing to:

- 1. Take full legal responsibility for the education of the student, including obtaining services necessary to educate the student.**
 - Students in the IEA Program cannot be enrolled in the public school system.
 - Parents/Guardians will not receive any support from public schools or public school districts unless you contract with the district to provide services (see Chapter 8 for more information on contracting with public schools).
 - Districts are not required to provide students enrolled in the IEA Program with a free and appropriate public education.
- 2. Waive the student’s rights to services under the federal Individuals with Disabilities Education Act (IDEA).**
 - Students in the IEA Program will not receive any services or accommodations through the public school system.
 - After entering the IEA Program, students will no longer have active Individual Education Plans (IEPs) and will not be eligible for the services listed in the IEP through the public school system, including test accommodations.
 - Students will not be able to get a new IEP or a services plan through the public school system unless they withdraw from the IEA Program and enroll in a public school.
 - Private schools are not required to provide services to students with disabilities in the IEA Program.
 - ***Please note: If a participating school or provider is a recipient of federal funds, accommodations may be available pursuant to Section 504 of the Rehabilitation Act of 1973. Account holders should inquire of the school or provider regarding the applicability of Section 504.***
- 3. Research, review, and approve/contract with participating schools, therapists, tutors, and other providers.**
 - Account holders are solely responsible for determining how to use the IEA funds following the laws, rules, and procedures of the IEA Program.

- Account holders are strongly encouraged to thoroughly research the quality and cost of schools, therapists, tutors, and other providers before engaging their services and paying them. *Beware of false advertising!* If you have questions about a school or provider, you can email IEA.Questions@tn.gov.
- The TDOE does not endorse any school, therapist, tutor, or provider.
- It is the responsibility of account holders to thoroughly research individuals/schools/organizations you choose to contract with to provide educational services to the student.
- The account holder is responsible for any contract signed with a school, individual and/or provider and ensuring that the terms of the contract are fulfilled. The TDOE cannot void a private contract, give legal advice, or arbitrate payment schedules.
- The account holder is responsible for repayment of all ineligible expenses and any eligible expenses spent in excess of the amount of the IEA (see Chapter 8).

4. Submit quarterly expense reports and receipts to the TDOE.

- Every quarter, account holders must submit expense reports showing how the IEA funds were spent in that quarter. Parents must also submit receipts of all expenses paid using IEA funding. The receipts and expense reports must be aligned to the IEA account statements (see Chapter 10).

Parent & Student Rights Waived in IEA Program

By accepting the IEA funding and signing the IEA contract, account holders acknowledge the following:

1. You are waiving all the rights of the student to IDEA services, the right to a public education, and the right for a Free and Appropriate Public Education (FAPE). Participation in the IEA Program shall have the same effect as a parental refusal to consent to the receipt of specially designed instruction and related services pursuant to the Individuals with Disabilities Education Act at 20 U.S.C. §1414.
2. The student's IEP will no longer be in effect and the public school district will not be required to provide any of the accommodations or services listed in the IEP.
3. Participating schools are not required to provide special education services for the student.
4. The TDOE may remove any account holder or student from eligibility for an IEA if the account holder or student fails to comply with the terms of the IEA contract or applicable laws, rules, procedures, guidelines in this handbook, or misuses monies

or fails to comply with the terms of the IEA contract (see Chapter 11).

Parent and Student Rights Retained in IEA Program

1. Once account holders sign the IEA contract, account holders have the right to withdraw the student from the IEA Program at any time following the procedures in Chapter 11 and enroll the student in a public school or a nonpublic school. Account holders must notify both the TDOE and the school district that the student has withdrawn from the IEA Program.
2. The IEA contract allows an account holders who has been removed from the program the right to appeal their removal. To complete the appeals process, please see Chapter 11.

Parent Responsibilities

By signing the IEA contract, account holders agree to meet the following **eight** sets of requirements and responsibilities (see the IEA Account Holder Portal to view the account holder contract):

1. Legal Responsibilities
2. Notification Requirements to School Districts
3. Notification Requirements to TDOE
4. Educational Responsibilities
5. Assessment Responsibilities
6. Funding Responsibilities and Accountability
7. Renewal of IEA
8. Fraud Reporting

Please note: An IEA account holder who fails to comply with these requirements forfeits the Individualized Education Account and may be removed from the IEA Program. Account holders who are removed from the IEA Program will not be allowed to reapply to the program. Account holders can appeal their removal from the IEA Program following the procedures in Chapter 11.

Legal Responsibilities

- **Comply** with all the state laws, rules, and procedures for the IEA Program.

Notification Requirements to School Districts

- Notify the school district in which the student resides that the **student is enrolled in the IEA Program** and what nonpublic school the student will be attending once enrolled in the IEA Program. This school will be the student's school of record.
- Notify the school district in which the student resides if the student **withdraws from the IEA Program**.
- Notify the school district in which the student resides if the student **graduates from high school** (including passing the GED or HiSET) or attains 22 years of age, whichever occurs first.
- Notify the school district in which the student resides if the student **transfers from a home school to a private school** and vice versa (see chapters 5 and 8).
- Notify the school district in which the student resides if the student **moves to another school district**, and notify the school district the student moved to that the student is enrolled in the IEA Program.
- Notify the school district in which the student resides if the student's **physical address changes**, and ensure that the school district has the current email address, mailing address, and working phone number where the account holder can be contacted.

Notification Requirements to the TDOE

- Notify the TDOE if the student **transfers to another school** while enrolled in the IEA Program following the process in Chapter 5.
- Notify the TDOE if the student **returns to the school district** and return the IEA funds to the state treasurer to be placed in the Basic Education Program (BEP) account (see Chapter 11).
- Notify the TDOE if the student **graduates from high school** (including passing the GED or HiSET) or attains 22 years of age, whichever occurs first.
- Notify the TDOE if the student **transfers to another participating school** and return any refund of IEA funding from the school to the student's IEA account (see chapters 5 and 8).
- Notify the TDOE if the student's **physical address changes**, and ensure that the TDOE has the current email address, mailing address, and working phone number where the account holder can be contacted.
- It is the account holders responsibility to **regularly check** the IEA portal and their home address mail for communications from the TDOE.

Educational Responsibilities

- Provide an education for the student in at least the subjects of **reading, grammar, mathematics, social studies, and science**.
- **Enroll the student in a nonpublic school** (which includes private and home schools) that meets the compulsory school attendance requirements in state law (T.C.A. § 49-6-3005). *Participating nonpublic schools are not required to admit students enrolled in the IEA Program and students must meet all requirements for admission set by the school.*

Assessment Responsibilities

- If a **student is in grades 3–8**, the account holder shall annually, by a date established by the TDOE, submit verification to the TDOE that the student has taken either a **nationally norm-referenced test(s) identified by the TDOE** or the **Tennessee Comprehensive Assessment Program (TCAP) test(s)**, or any future replacements of the TCAP test(s) (see Chapter 6).
- The tests should, at a minimum, measure learning in **mathematics and English language arts (ELA)**. At a minimum, account holders shall report the name of the assessment(s) the student took, the date the assessment was administered, and the student's demonstrated progress.

Funding Responsibilities & Accountability

- Only use IEA funding for expenses that are for the **educational benefit of the student** receiving the IEA and are on the approved list of educational expenses (see Chapter 8).
- After the initial quarterly payment to the IEA, submit **an expense report and receipts** for all IEA funds expended for each quarter by the date set by the TDOE before the next IEA quarterly payment is disbursed.
- Spend **50 percent** of the total amount of the annual IEA award by the date the Quarter 4 expense report is due.
- Not **transfer any prepaid college funds** to another beneficiary.

Renewal of IEA

- **Annually, submit a renewal application and signed contract** along with all supporting documentation to the TDOE to renew the IEA and for the student to remain enrolled in the IEA Program for the next school year (see Chapter 5).
- *If the account holder does not renew the IEA, the student's IEA will be closed and the student will no longer be enrolled in the IEA Program.*

Fraud Reporting

- Not provide any fraudulent information or withhold information on the application.
- Report any suspected fraud.

Late Reports & Non-Submittal of Requested Documents

Account holders must submit all documentation and reports required by the TDOE by the deadline set by the TDOE including, but not limited to, all application forms and supporting documentation, contract forms and supporting documentation, and end of the year reporting forms and supporting documentation. If an account holder does not submit the documentation and reports by the deadline, the TDOE may deny the application, freeze or suspend the IEA account, and/or remove the account holder from participating in the IEA Program following the procedures in Chapter 12 and Appendix A.

Chapter 5 Key Points

- There is a three step process to enroll a student in the IEA Program:
 - 1) **submit** the IEA Student Application
 - 2) **sign** the IEA Contract, and
 - 3) **notify** your local public school district that your student is enrolling in the IEA Program.
- To continue in the IEA Program, account holders must submit the IEA Student Renewal Application by the TDOE deadline.
- Account holders are responsible for notifying the TDOE if any student information changes, including if the student transfers to a new school.

Chapter 5: Enrolling in the IEA Program

In order to enroll a student in the IEA Program, the parent or eligible student who has reached the age of majority (18 years) must complete the following steps:

Step 1: Complete and submit to the TDOE the IEA application in the IEA Account Holder Portal along with all required supporting documentation no later than **Oct. 14, 2016, at 3:00 p.m.**

The TDOE will determine whether the student is eligible to receive an IEA and will notify the parent.

To get credentials to log into the IEA Account Holder Portal, see the instructions on the IEA webpage. For step-by-step instructions on how to submit the IEA application, see the How-to Guide section of the TDOE's IEA webpage at <https://tn.gov/education/topic/iea-resources>

Step 2: Complete and submit to the TDOE the IEA Contract along with all required supporting documentation, including the Assurances Form and FERPA Waiver, no later than **Nov. 15, 2016, at 3:00 p.m.**

Step 3: Notify the school district in which the student resides that the student will be enrolling in the IEA Program. *This must be done before the first day the student is enrolled in the IEA Program in order for the TDOE to disburse the first IEA payment.*

Upon receipt of the signed contract the TDOE will deposit the first quarterly payment to the IEA via electronic funds transfer. IEA funds will be deposited in the IEA on a quarterly basis thereafter until termination of the contract. Information about how the debit cards will be mailed to the account holder and specific instructions for how the account holders can access their funds will be sent to account holders in January 2017.

IEA Program Application

In order to enroll a student in the IEA Program, the parent or eligible student who has reached the age of majority (18 years) must create an account in the IEA Account Holder Portal, complete the IEA Student Application (see the IEA Account Holder Portal to view the form), and submit the application along with all required supporting documentation as listed in the application, through the IEA Portal.

If you have moved to Tennessee from out of state from July 1–Dec. 31, 2016, you will need to contact the IEA team to receive the credentials to log-in to the IEA Account Holder Portal account by emailing IEA.Questions@tn.gov and sending the following information:

1. Your name
2. The name of your student
3. Proof of out-of-state residency

Examples include: copy of most recent utility bill, current rental agreement, current property tax bill, affidavit from a landlord, or most recent mortgage statement

4. A copy of the student's out-of-state IEP from a public school district. The IEP must be active at the time of the application.

Before completing this application, parents must read the following documents posted on the TDOE's IEA webpage (<http://www.tn.gov/education/section/iea>):

- [IEA Program law, T.C.A. § Title 49, Chapter 10, Part 14](#)
- [IEA Program rules of the SBE Chapter 0520-01-11](#)
- [IEA Program Procedures](#) developed by the TDOE
- [IEA Parent Handbook](#)

The *IEA Parent Handbook* includes the allowable use of IEA funding, the responsibilities of parents, and the duties of the TDOE. Parents must read this handbook in its entirety before applying for the IEA Program. If parents have questions about the IEA Program, please email IEA.Questions@tn.gov

Completed applications, which include all required documentation, must be **received** by the TDOE no later than **Oct. 14, 2016, at 3:00 p.m. CDT**. Incomplete applications or applications submitted after the deadline will not be reviewed for the spring 2017 IEA enrollment that begins Jan. 1, 2017.

Please note the following:

1. An IEA application must be submitted for each student. If a parent has more than one student who is applying to enroll in the IEA Program, the parent will need to submit one application per student.
2. **There can ONLY be one applicant for each IEA account who will be the IEA account holder.** Please keep in mind that the applicant (parent/student who has reached 18 years of age and who completes the application to enroll the student in

the IEA Program) will be the IEA account holder and will be required to sign all official documentation pertaining to the IEA. For example, if a student enrolled in the IEA Program has two parents, the parent who submits the application and signs the IEA contract will be the IEA account holder and will be responsible for completing all requirements of the IEA Program. The IEA debit card will be issued in the name of the IEA account holder.

3. Incomplete applications or applications submitted after the deadline will not be reviewed for the spring 2017 IEA enrollment that begins January 2017.
4. **Students must be registered with a Tennessee public school district in order to apply for the IEA Program** in order for funds to be generated for that student. If a student is entering kindergarten for the first time or is new to the state, the student must still register with the public school district, but the student does not have to attend a public school to be eligible. Parents/Guardians should contact their resident school district to determine the process for registering the student with the school district for the purposes of enrolling the student in the IEA Program.

Next steps after the application is submitted

1. After the TDOE receives the application, the TDOE will notify the applicant through the IEA Portal that the application has been received.
2. The TDOE will review the application and all supporting documentation and notify the applicant through the IEA Portal as to whether or not the student is eligible to enroll in the IEA Program.

Please Note: The state rules for the IEA Program are still in the process of being approved by the state. Parents can submit applications to enroll their child in the IEA Program, but the TDOE **cannot approve or deny** applications until the rules are approved. The TDOE will notify applicants once the IEA rules are approved as to the status of their application. If you have any questions, please contact the IEA team at IEA.Questions@tn.gov.

3. If the TDOE determines that the student is eligible to enroll in the IEA Program, the TDOE will include in the email:
 - a) The next steps that the parent/student will need to take in order to officially enroll the student in the IEA Program, which includes completion and submission of the forms for the IEA contract to the TDOE
 - b) The amount of the student's IEA award
 - c) The IEA account information

4. If the TDOE determines that the student is ineligible to enroll in the IEA Program, the TDOE will include in the email an explanation as to why the student is ineligible and instructions for how the parent/student may appeal the decision.
5. **If an application is approved, account holder must inform the school district in which they reside that the student will be enrolling in the IEA Program. This must be done before the first day the student is enrolled in the IEA Program in order for the TDOE to disburse the first IEA payment.**

Appealing the denial of student eligibility for the IEA Program

If the TDOE determines that the student is not eligible for the IEA Program and the parent/student receives a denial of the IEA Program Application, the parent/student may appeal the TDOE's decision per the appeals procedures in the rules of the [SBE 0520-01-11-.10](#). A parent/student may appeal the denial of the student's eligibility for the IEA Program pursuant to the following two step appeal process:

- **Step 1:** The appeal should be submitted on the Appeals Form through the IEA Portal (see the IEA Portal to view the form) and should be submitted to the commissioner of education within ten business days of the denial, suspension, termination, and/or removal. The appeal shall be reviewed by the commissioner of education, or the commissioner's designee, within 30 calendar days. The commissioner's decision shall be rendered within ten business days of the date of the review.
- **Step 2:** An appeal of the commissioner's decision in step one shall be filed with the commissioner within 30 calendar days and shall conform to the Uniform Administrative Procedures Act (T.C.A. § Title 4, Chapter 5).

IEA Contract

In order to officially enroll a student in the IEA Program, the parent or eligible student who has reached the age of majority (18 years) must complete and submit the IEA Contract along with all required supporting documentation as listed in the contract, through the IEA Portal.

Parents are encouraged to have an attorney review the IEA Contract before enrolling in the program.

Completed contracts, including the Assurances Form and FERPA Waiver, must be **received** by the TDOE no later than **Nov. 15, 2016, at 3:00 p.m. CST**

Please note the following:

1. An IEA contract must be submitted for each student. If a parent has more than one student who is enrolling in the IEA Program, the parent will need to submit one contract per student.
2. The parent who signs the IEA Contract will be the IEA account holder. There can ONLY be one account holder for each IEA account. Please keep in mind that the individual (e.g., parent) submitting the application to enroll the student in the IEA Program will be required to sign all official documentation pertaining to the IEA.
3. If the complete contract is not submitted by the deadline along with all the required documentation, the student shall not be enrolled in the IEA Program for the term that begins January 2017.

Secure Information: FERPA Waiver

The TDOE has the obligation, under FERPA, to ensure all information is kept confidential and secure. To participate in the IEA Program, parents or students who have reached the age of majority, must sign a FERPA waiver as part of the IEA Contract (see the Account Holder Portal to view the form). The FERPA waiver allows the TDOE to disclose personally identifiable information related to your child's educational records to participating schools/providers that the account holder has contracted with (e.g., a private school that the student is enrolled in). The TDOE will never release financial information or personal details regarding parents or students to any third parties outside of participating schools and providers. The FERPA waiver must be **received** by the TDOE no later than **Nov. 15, 2016, at 3:00 p.m. CST.**

Next steps after the contract is submitted

Upon receipt of the signed contract, including the Assurances Form and FERPA Waiver, the TDOE shall remit the first quarterly payment to the IEA via electronic funds transfer. IEA funds shall be remitted to the IEA on a quarterly basis thereafter until termination of the contract. Information about how the debit cards will be mailed to the account holder and specific instructions for how the account holders can access their funds, will be sent to account holders in January 2017.

IEA renewal

In order for the student to continue in the IEA Program for the 2017-18 school year, the account holder must submit a renewal application (see the Account Holder Portal to view the form) and a complete contract, including all supporting documentation (e.g., the Account Holder Assurances Form and FERPA Waiver). **Completed renewal applications must be received by the TDOE by June 1, 2017, at 3:00 p.m. CDT. Completed contracts**

for the 2017-18 school year must be received by the TDOE by July 21, 2017, at 3:00 p.m. CDT. If the renewal application and/or the completed contract is not received by this date, the student will not be enrolled in the IEA Program for the 2017-18 school year.

Parents are encouraged to submit renewal applications early to the TDOE before the deadline to give the TDOE time to review and verify that all the forms and information were submitted correctly.

Updating Parent and Student Information

If at any time the information submitted in the application and/or contract changes, including, but not limited to, the email address, residential address, and/or phone number of the account holder/ student, the account holder must report the changes by updating the Account Holder Profile section of the portal (see the Account Holder Portal to view the form). If the address changes, account holder must submit proof of residency showing the account holder's name and physical address to IEA.Questions@tn.gov (Examples of proof of residency include: copy of most recent utility bill, current rental agreement, current property tax bill, affidavit from a landlord, or most recent mortgage statement.) **The form and supporting documentation must be received by the TDOE within 15 calendar days of the change being effective.** Failure to provide this information to the TDOE by the deadline may result in the suspension of the IEA account and/or removal of the student from the IEA Program.

Required notification if a student moves to a new school district

If a student moves from one school district to another, the IEA account holder must notify the TDOE, the school district that the student has moved from, and the school district the student has moved to within 15 calendar days from the date the student's residence moved. Students enrolled in the IEA Program who move residence must unregister from the school district the student has moved from and register with the new school district the student has moved to so that the student is registered with the new school district.

Notice of School Transfer

If a student enrolled in the IEA Program transfers from one school to another (including transfer from a homeschool to a private school or vice versa), the account holder must notify the TDOE within 15 calendar days from the date the student was withdrawn from the participating school and must send the TDOE proof of enrollment in the new school

the student has transferred into with the date of the enrollment in the new school by completing the Notice of School Transfer Form and providing the supporting documentation requested on the form (see the Account Holder Portal to view the form). On the form, parents must include whether or not the school the student transferred from will be issuing a refund for tuition/fees pre-paid using IEA funds.

If the Notice of School Transfer Form is not submitted within 15 calendar days from the date the student was withdrawn from the participating school along with all the required documentation, the TDOE may suspend a student's IEA.

If a student transfers out of a participating school, the school must provide the account holder copies of all the student's educational records within five business days of the transfer regardless of whether the account holder owes money to the school. If a school does not provide the records as required by this part, the account holder should notify the TDOE.

Chapter 6 Key Points

- Students who participate in the IEA Program and are in **grades 3–8** must take either a nationally norm-referenced test approved by the TDOE or the TCAP assessment in English language arts and mathematics.
- Account holders are required to verify that students have taken the required assessments by submitting score reports to the TDOE. The TDOE will not compile, track, or publicly release student assessment results.
- Students in the IEA Program **are not** automatically entitled to receive any testing accommodations.

Chapter 6: Student Assessment & End of Year Reporting

As required by state law, if a student is in grades 3–8, the account holder must submit verification to the TDOE that the student has taken either a nationally norm-referenced test(s) approved by the TDOE or the Tennessee Comprehensive Assessment Program (TCAP) test(s) in mathematics and English language arts (ELA). **The purpose of the assessment requirement for the IEA Program is for parents to receive information on their student’s academic progress. The TDOE will not compile, track, or publicly release student assessment results;** student assessment results submitted to the TDOE will only be reviewed to verify that the student has taken the required assessments.

List of Approved Norm-Referenced Tests

Students may take a norm-referenced achievement test to fulfill the testing requirement. Parents may use IEA funding to pay for the test.

The following are the norm-referenced achievement tests that students may take:

- California Achievement Test (CAT)
- TerraNova
- Iowa Test of Basic Skills (ITBS)
- Tests of Academic Proficiency (TAP)
- Metropolitan Achievement Test (MAT)
- Stanford Achievement Test
- Comprehensive Testing Program (CTP) IV - Educational Records Bureau (ERB)

Please note: Students in the IEA Program are not automatically entitled to receive any testing accommodations. Since one of the requirements for enrollment in the IEA Program is that parents must waive their child’s IDEA rights, which includes the child’s rights to testing accommodations based on their IEP, a school (including public schools) or other entity that administers an assessment to a student enrolled in the IEA Program is not required to provide the student any assessment accommodations, even if the student’s IEP had included assessment accommodations in the past (the student’s IEP is no longer valid upon enrolling in the IEA Program).

Assessment Verification

Parents must report to the TDOE that students in grades 3–8 have taken an ELA and math assessment. For the Jan. 1–June 30, 2017, school term, parents must complete and submit to the TDOE the Assessment Verification Form by **June 2, 2017** (see the Account Holder Portal to view the form). Along with this completed form, if the student takes a norm-

referenced assessment, the account holder must submit copies of the student's assessment report that includes all of the following:

- Name of the student
- Student ID number (issued by the public school district)
- Name of the assessment
- Date the assessment was administered
- Location where the assessment was administered (e.g., name of the school or testing center)
- Student's demonstrated progress on the assessment (e.g., the test score) to show that the student actually took the assessment

The score report must be submitted to the TDOE by **Aug. 1, 2017**.

Parents are encouraged to make a decision as to which assessment the student will take early in the school year to ensure that:

- the school is able to administer the test, and
- account holders will be able to submit the score report by the TDOE deadline.

Please note: Failure to submit the Assessment Verification Form and/or the copies of the student's assessment report may result in removal of the student from the IEA Program and suspension of the IEA account. Students of parents who do not submit the form by the deadline may be prohibited from participating in the IEA Program in the future.

Where do students take the assessments?

Assessments	Private School Students	Homeschool Students
State Tests	Parents should contact the private school to ask them to order the tests from the state. The private school will administer the test.	Parents should contact the school district with which they are registered in order for their student(s) to take the assessment.
Norm-Referenced Tests	Parents should contact the private school to ask if the school could order and administer the test. Depending on which test the account holder chooses, the test could be ordered directly from the testing company or administered through a local testing center.	Depending on which test the account holder chooses, the test could be ordered directly from the testing company or administered through a local testing center.

Assessment Frequently Asked Questions

Can a parent request to use a different norm-referenced test than the options listed above?

Yes, parents may submit a request to the TDOE to add another norm-referenced assessment to the list of approved assessments above. The request should be emailed to IEA.Questions@tn.gov and should include:

- The name of the assessment
- A description of the assessment
- The name of the assessment vendor
- A link to the assessment vendor's website where a description of the assessment is posted.

Before submitting a request, parents should review the following definition of a norm-referenced test:

Norm-referenced refers to standardized tests that are designed to compare and rank test takers in relation to one another. Norm-referenced tests report whether

test takers performed better or worse than a hypothetical average student, which is determined by comparing scores against the performance results of a statistically selected group of test takers, typically of the same age or grade level, who have already taken the exam.²

The TDOE will review all requests to add test to the approved list and will notify the account holder of the status of the request within 60 calendar days.

Please note: Parents who have submitted requests to add a norm-referenced assessment to the approved list are still required to submit verification to the TDOE that the student has taken one of the approved norm-referenced tests and/or the TCAP assessments by the deadline set by the TDOE.

Will the results of the student assessments be publicly released?

No, the TDOE will not compile, track, or publicly release student assessment results; student assessment results submitted to the TDOE will only be reviewed to verify that the student has taken the required assessments.

Can students take an alternative or portfolio assessment?

No, students must either take the state ELA and math assessments or the norm-referenced tests listed above.

² The Glossary of Education Reform, "Norm-Referenced Test," July 22, 2015, <http://edglossary.org/norm-referenced-test/>

Chapter 7 Key Points

- At least **50 percent** of the annual amount of funding disbursed into the IEA account must be spent by the end of Quarter 4 when the expense report is submitted.
- The TDOE will monitor the use of all IEA funds to ensure the funds are only spent on approved expenditures. The TDOE has a zero tolerance policy for misuse of IEA funding.
- All refunds must be returned by the school/provider directly to the TDOE for credit to the student's IEA account. Refunds must be received by the TDOE within 15 calendar days of the student's withdrawal from the school.

Chapter 7: Use of Funds

Parents have the responsibility to decide what services and products to purchase that best meet their child's individual education needs. IEA funds may only be used on specific allowable expenses which are authorized by the state law, rules, and procedures. The TDOE is authorized to review all expenditures and request further information if needed from the IEA account holder. This section lists the approved program expenses and process for approving schools and providers.

At least 50 percent of the annual amount of funding disbursed into the IEA account must be spent by the end of Quarter 4 when the expense report is submitted. 50 percent of IEA funds do not have to be spent each quarter, but the total amount of funds spent from the IEA account must equal 50 percent at the end of Quarter four.

For example, if the total annual amount of the IEA award was \$6,000, with four equal quarterly payments distributed to the IEA amount of \$1,500, the account holder must spend a total of \$3,000 (\$6,000 multiplied by 50 percent) by the end of Quarter 4. The account holder does not have to spend 50 percent of each quarterly payment, so he/she could spend \$1,000 in Quarter 1, \$750 in Quarter 2, \$500 in Quarter 3, and \$750 in Quarter 4, which equals a total of \$3,000, 50 percent of the total annual award of \$6,000.

If overall spending does not equal 50 percent at the close of the contract year, and if the IEA is renewed for the following year, the TDOE will either subtract the difference from the quarterly payments in the next contract year or pull the amount from the IEA account—waiting to determine funding mechanism.

For example, following the example above, if the account holder spends \$2,900 of their IEA award for the 2017-18 school year, which is \$100 less than 50 percent (\$3,000) of the total IEA award for the 2017-18 school year of \$6,000, the TDOE would subtract \$100 from the first quarter IEA payment for the 2018-19 school year.

Misspent Funds

To ensure the integrity of the IEA Program, the TDOE will closely monitor use of all IEA funds to ensure the funds are only spent on approved expenditures. **The TDOE has a zero tolerance policy for misuse of IEA funding** and will take the following actions if account holders misspend IEA funding:

1. The TDOE will notify the account holder through email that the funds were misspent and the amount of funding that the account holder must repay.
2. The IEA account may be frozen until all of the misspent funds are repaid.

3. The account holder will have ten business days to respond to the TDOE's email and either:

- a. repay the funds following the procedures listed below; or
- b. if the account holder believes the funds were properly spent, include in their response an explanation and documentation that shows the funds were spent on approved expenses.

If the account holder uses IEA funds for non-approved expenses, the account holder should notify the TDOE by emailing IEA.Questions@tn.gov and should also self-report this in the "disallowed expenses" section on the expense report and repay the funds by following these steps:

1. Send the TDOE a certified check in the amount of the funds that were misspent.
2. Checks should be payable to: Treasurer State of Tennessee
3. With the check, include a copy of the expense report or a letter with the account holder's name, the student ID number, and the reason the funds are being returned to the state (e.g., to repay misspent IEA funds, list the date of the purchase, and describe the purchase including the vendor and item/service).
4. Mail the check and letter/expense report to:

Tennessee Department of Education
Attention: Rebecca E. Wright
9th Floor, Andrew Johnson Tower
710 James Robertson Parkway
Nashville, TN 37243

Once the check is received, the TDOE will deposit the funds back into the account holder's IEA account. Please allow for up to 45 calendar days from the time the check is received by the TDOE for the funds to be available in the IEA account.

Please note: The next quarterly payment will not be disbursed into the IEA account until the misspent funds are repaid in full.

If the account holder refuses or fails to contact the TDOE, furnish any information or make any report that may be required for reinstatement within the ten-day period, the TDOE may remove the account holder from the IEA Program (see Chapter 11).

Appeals: Request for Reconsideration

Account holders may appeal the TDOE's decision to deny an expense and/or deny approval of a provider pursuant to the following two-step appeals procedures as required in the rules of the SBE 0520-01-11-.10:

- **Step 1:** The appeal should be on the form provided by the TDOE and should be submitted to the commissioner of education within 10 business days of receipt of the notice of denial, suspension, termination, and/or removal. Notice of denial, suspension, termination, and/or removal shall be provided electronically and via first-class USPS mail and be deemed received three business days after the date of postmark.
 - The commissioner of education, or the commissioner's designee, shall review the appeal shall be reviewed by the commissioner of education, or the commissioner's designee, within 30 calendar days. The commissioner's decision shall be rendered within 10 business days of the date of the review.
- **Step 2:** The account holder shall be notified of the commissioner's decision for in the step one appeal electronically and via first-class USPS. Such notice shall be deemed received three business days after the date of postmark. An appeal of the commissioner's decision in step one shall be filed with the commissioner by the account holder within 30 days and shall conform to the Uniform Administrative Procedures Act (T.C.A. Title 4, Chapter 5).

The TDOE may refer cases of substantial misuse of monies to the Tennessee attorney general's office or the state comptroller's office for investigation if the TDOE obtains evidence of fraudulent use of an account.

Refunds

Parents and may not accept any payment, refund, or rebate of IEA funds from a provider of any goods or services for the IEA Program.

Account holders must report refunds of prepaid tuition, fees, items, and/or services to the TDOE **within five calendar days** of the date of the return.

All refunds must be returned by the school/provider directly to the TDOE for credit to the student's IEA account. Refunds must be received by the TDOE **within 15 calendar days** of the service being cancelled, the item being returned, or the student's withdrawal from the school.

All refunds should be placed back on the IEA debit card by the vendor.

- If the provider is unable to refund the funds directly back onto the IEA debit card, the provider can mail the TDOE a certified check (including money orders). Checks should be payable to: Treasurer State of Tennessee
- With the check, the provider must include a letter with the account holder's name, the student ID number, and the reason the funds are being returned to the state.
- Mail the check and letter to:

Tennessee Department of Education
Attention: Rebecca E. Wright
9th Floor, Andrew Johnson Tower
710 James Robertson Parkway
Nashville, TN 37243

It is considered fraud if a refund is not deposited into the IEA or returned to the TDOE.

Chapter 8 Key Points

- Chapter 8 details twelve different categories of approved expenses:
 - Tuition, Fees, and/or Required Textbooks at a Participating Private School
 - Tutoring Services
 - Curriculum
 - Transportation
 - Tuition/Fees for Online Learning Program/Courses
 - Test Fees
 - Coverdell Education Savings Account Contributions
 - Educational Therapies/Services
 - Public School Services
 - Tuition, Fees, and/or Required Textbooks at Postsecondary Institutions
 - Account Fees
 - Computer Hardware and Technological Devices
- Certain expenses require pre-approval before using IEA funds:
 - Educational Therapies/Services
 - Tutoring Services
 - Computer Hardware and Technological Devices
- **Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established.** Any services, resources, and/or equipment purchased using IEA funds shall only be used by the participating student whose IEA paid for said services, resources, and/or equipment.
- All expenses must be **educational** in nature.
- If the account holder is unsure of whether an expense is approved, he or she can ask the TDOE by emailing IEA.Questions@tn.gov.

Chapter 8: Approved Expenses

All expenses must be for the educational benefit of the student enrolled in the IEA Program. The purchase date must be on or after January 1 of the school year for which the student receives the IEA funds used to make the purchase. The following table includes a description of the approved program expenses.

Approved Spending Category	Description	Requires Pre-Approval
Tuition, Fees, and/or Required Textbooks at a Participating Private School	A qualified school is defined as: a Category I, II, or III private school (including private virtual education programs). The school must not discriminate on the basis of race, color, or national origin. A description of the categories is posted on the TDOE website: https://www.tn.gov/education/article/non-public-school-categories	No
Tutoring Services	All services must be delivered by an individual who has met the licensure requirements set by the TDOE or a tutoring organization accredited by one of the accrediting agencies listed in the IEA SBE rule. Account holders must receive prior approval from the TDOE before using IEA funds to pay for tutoring services.	Yes
Curriculum	Defined as a complete course of study for a particular content-area or grade level, including any supplemental materials required by the curriculum.	No

Transportation	Defined as fees for transportation paid to a fee-for-service transportation provider. Transportation fees can only be used for transportation to/from participating schools and providers (including tutors and therapists).	No
Tuition/Fees for Online Learning Program/Courses	Must be provided by a Category III nonpublic school.	No
Test Fees	Includes norm-referenced tests, Advanced Placement tests, or any examinations related to college or university admission.	No
ABLE Account Contributions	ABLE TN is a savings program designed to help individuals with disabilities put aside money to pay for qualified expenses. These accounts provide the opportunity to save and invest with tax-free earnings to help participants maintain independence and quality of life.	No
Coverdell Education Savings Account Contributions	Authorized by 26 United States Code § 530, for the benefit of the student.	No
Educational Therapies/Services	The therapy must be for the educational benefit of the student and provided by a provider who meets the licensure requirements set by IEA rules and procedures. Account holders must receive prior approval from the TDOE before using IEA funds to pay for therapy services.	Yes

Public School Services	Services provided under a contract with a public school, including individual classes and extracurricular programs.	No
Tuition, Fees, and/or Required Textbooks at Postsecondary Institutions	Must be paid for the benefit of the student at a Tennessee community college, college of applied technology, or university of the University of Tennessee system or the Tennessee Board of Regents system or an accredited private postsecondary institution.	No
Account Fees	Fees related to using the IEA debit card.	No
Computer Hardware	IEA funds may be used to purchase computer hardware or other technological devices approved by the TDOE or a physician if the computer hardware or other technological device is used for the student's educational needs and is directly related to his/her associated area of deficit of the disability for which he/she qualifies to receive an IEA or allows a student to access instruction or instructional content. Account holders must receive prior approval from the TDOE or a licensed treating physician before purchasing computer hardware using IEA funds.	Yes

Disallowed Expenses

If an expense is not on the approved list, an account holder is prohibited from purchasing that item or service with IEA funds. IEA funds cannot be used for the following expenses*:

- a. Consumable educational supplies (e.g., paper, pencils, pens, markers, erasers, folders, backpacks, etc.)
- b. Co-pays for health insurance or any expenses to support or supplant private medical costs through insurance co-pays
- c. Medical services
- d. Before and after school care
- e. Computer cloud services
- f. Desktop binding machines
- g. Farm animals and supplies
- h. Medicines and/or supplements
- i. Internet service
- j. Cable television service
- k. Magazine subscriptions (unless required as part of the educational curriculum of a nonpublic school)
- l. Laminators
- m. Mileage or car expenses
- n. Pets and pet supplies
- o. Repairs for computer hardware or technological devices
- p. Software that is not educational (e.g., antivirus software)
- q. Warranties
- r. Nutritionists
- s. Yoga
- t. Acupuncture
- u. Extracurricular fees, unless required to attend a participating school and/or paid through a contract with a public school/ district.
- v. Athletic fees, unless required to attend a participating school and/or paid through a contract with a public school/ district.

*This is not an exhaustive list of all prohibited expenses, and the TDOE reserves the right to decide whether an expense meets the definition of approved expenses set in state law, rule, and procedure.

Tuition, Fees, and/or Textbooks Required at a Participating Private School

Parents may use IEA funds for tuition, fees, and/or required textbooks at a participating school.

Participating schools are nonpublic schools (including private virtual education programs) that seek to enroll eligible students and meet the requirements set by state law, state board rules, and meet the following requirements as listed in the TDOE's IEA Procedures:

1. Is located in this state
2. Is a Category I, II, or III nonpublic school pursuant to the rules of the SBE Chapter 0520-07-02
 - A description of the categories is posted on the TDOE website: <https://www.tn.gov/education/article/non-public-school-categories>
3. Certifies that they shall not discriminate against students or applicants on the basis of race, color, or national origin
4. Complies with all health and safety laws or codes that apply to nonpublic schools
5. Agrees to provide account holders with a receipt for all qualifying expenses at the school or institution
6. Conducts criminal background checks on employees
7. Excludes from employment any person not permitted by state law to work in a nonpublic school
8. Excludes from employment any person who might reasonably pose a threat to the safety of students

Participating schools:

- must be approved by the TDOE,
- must notify the TDOE as to whether the school provides inclusive educational settings, and
- are listed on the IEA webpage on the TDOE's website at <https://tn.gov/education/section/iea>

For more information on the approval process for participating schools and the rights and responsibilities of participating schools, please read the *IEA Provider Handbook* available at: <https://tn.gov/education/section/iea>

Tuition

As an approved expense, tuition may only be used by a private school directly instructing a student enrolled in the IEA Program.

Parent expense report submissions for tuition may be itemized or lumped, depending on how the private school submits its receipts to the account holders.

Along with the expense report, account holders must submit a **complete paid invoice** from the school. Failure to submit a complete paid invoice will result in the account holder having to repay the IEA funds used to pay the tuition.

Fees

While tuition may be straightforward, fees are not. Many schools charge fees in areas that are not approved by the IEA Program. As a result, **all fees submitted must be itemized.**

The following are a list of approved fees that may be charged by the private school:

- Registration fees
- Application fees
- Facility fees
- Book fees
- Lab fees (science labs, math labs, etc.)
- Computer lab fees
- Supply fee (this fee does not include consumable items such as pens, paper, markers, art supplies, construction paper, pencils, folders, backpacks, etc.)
- Field trip fees (must be educational, cannot be overnight trips, and must be pre-approved by the TDOE)
- Uniforms fees (provided ONLY by the school OR the school's approved uniform vendor—not Walmart, Target, etc.)
- Tutoring fees

If an account holder requests that the school administer the TCAP test(s) to a student enrolled in the IEA Program, the school may include the cost to administer the test in the school fees charged to the account holder and the account holder may pay the fees using IEA funds.

Please note: IEA funds may not be used to pay for “late payment” fees because an account holder failed to turn in their expense report on or before the deadline to the TDOE or “late pick-up” fees because the student was picked up late from school.

IEA funds may not be used to pay fees for athletics or extracurricular activities unless the activity is required by the school.

Supply fees (which include consumable items/materials), before and after school care, overnight field trips, non-educational field trips, and clothing other than required uniforms will NOT be approved.

Required Textbooks

Many schools may require students to purchase textbooks as part of their normal educational expenses. Parent expense report submissions for required textbooks must be itemized on the IEA Expense Report and account holders must submit the Participating

Schools Required Textbooks Affidavit Form before submitting the expense report.

Tuition/Fees for Online Learning Program/Courses

IEA funds may be used to pay for tuition and/or fees for online learning programs and/or courses provided by a Category III nonpublic school directly instructing a student enrolled in the IEA Program. This section applies to individual courses students take through a virtual education program or other online learning programs. If a child enrolls full time in a virtual education program, the guidelines for using IEA funding for tuition, fees, and/or required textbooks for participating nonpublic schools would apply. Curriculum materials purchased for use in an online learning program or course would follow the guidelines for curriculum.

Please note the following:

- IEA funds cannot be used to pay for online learning program family memberships that are not solely for the student in the IEA Program.
- IEA funds can be used to pay for memberships up to one year for the online learning programs (if applicable) and only for the student in the IEA Program.
- Each student in the IEA Program must purchase their own access or online learning program membership.
- If purchasing a family online learning membership for multiple students enrolled in the IEA Program, each IEA card must be used (you may split payments). For example, if you purchase a family membership for ABC online program at a cost of \$60 for three students to use, but only one of the students is enrolled in the IEA Program, you could charge \$20 on the IEA debit card. On the expense report for that quarter, you will report the \$20, attach the receipt, and then explain in the open comments section that the payment was split.

Public School Services

IEA funding may be used to pay for services provided through an agreement with a public school district, including individual classes and extracurricular programs. State law allows students enrolled in the IEA Program to attend class(es) or extracurricular program(s) (e.g., dance, football, theatre) if an agreement can be reached with the school district. *The school district has the right to refuse service because the agreement would be on a contractual basis.*

IEA funds can be used to pay tuition and fees required by the public school district to participate in extracurricular activities but cannot be used to purchase commodities (such

as uniforms). School districts are authorized to charge tuition for students who attend classes but for whom the district is not receiving funding through the state's education funding formula, called Basic Education Program (BEP).

Account holders should make sure that the following is done to avoid suspension of the student's IEA account or termination from the IEA Program:

- Contact your school district and ensure they would be willing to enter into a contract.
- If the student enrolled in the IEA Program does attend classes at a public school and pays tuition, make sure the student is not enrolled as a district student, but as a tuition-paying student.
 - Enrolling in a public school may lead to termination from the IEA Program and repayment of used IEA funds.
- Make sure that the school district provides you with a complete paid invoice for all services (including tuition).

For information on whether home school students can participate in public school extracurricular activities and athletic programs, please visit the TDOE's homeschool webpage: <https://www.tn.gov/education/topic/home-schooling-in-tn>

Tuition, Fees, and/or Required Textbooks at Postsecondary Institutions

If a student has funds remaining in the IEA upon completing the IEA program, the remaining funds can be used to pay for tuition, fees, and/or required textbooks at eligible postsecondary institutions. There are two scenarios for how IEA funds can be used for postsecondary tuition:

1. A student in grades K-12 enrolled in the IEA Program takes classes at a postsecondary institution while they are still enrolled in either their K-12 private school or home school (i.e., dual enrollment).
2. A student who was enrolled in the IEA Program in grades K-12 and transitioned into postsecondary and had funds remaining in their IEA that they can use for postsecondary expenses.

If the account holder has leftover funds in the IEA and wishes to enroll the student in a postsecondary institution, they may use the remaining funds for approved postsecondary expenses. Postsecondary students in the IEA Program **do not** receive any additional payments to the IEA.

Funds must be paid for the benefit of the student. Eligible postsecondary institutions include:

- Tennessee public community college, college of applied technology, or university of the University of Tennessee system or the Tennessee Board of Regents systems.
- Private postsecondary institution accredited by one of the following:
 - Any accreditation division of AdvancED: the North Central Association Commission on Accreditation and School Improvement (NCA CASI), the Northwest Accreditation Commission (NWAC), and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI)
 - Middle States Association of Colleges and Schools (MSA)
 - New England Association of Schools and Colleges (NEASC)
 - Western Association of Schools and Colleges (WASC)
 - Council on Occupational Education (COE)

For a list of postsecondary institutions in Tennessee, please visit the Tennessee Higher Education Commission's webpage: <https://www.tn.gov/thec/topic/listing-of-institutions>

Tuition

IEA funds may be used to pay for tuition at an eligible postsecondary institution directly instructing a student enrolled in the IEA Program.

Account holder expense report submissions for tuition may be itemized or lumped, depending how the eligible postsecondary institution submits its receipts to account holders.

Fees

While tuition may be straightforward, fees are not. Many institutions charge fees in areas that are not approved by the program. As a result, **all fees submitted must be itemized**. IEA funds cannot be used for room and board or meals, meal plans, or food.

Required Textbooks

Many institutions may require students to purchase textbooks to participate in the classes in which the student enrolls. Account holder expense report submissions for required textbooks must be itemized on the IEA Expense Report, and account holders must submit the Required Textbook Affidavit Form (see the Account Holder Portal to view the form).

Tutoring Services

An account holder may use IEA funding for tutoring services provided by an individual tutor or a tutoring organization that meets the requirements outlined in Chapter 9. Account holders must complete the Tutoring Services Agreement Form and receive approval from the TDOE before using IEA funds to pay for tutoring services (see the Account Holder Portal to view the form). IEA forms can be found in the IEA Account Holder Portal.

IEA funding may not be used to pay paraprofessionals to provide therapy or services because the TDOE does not currently license paraprofessionals. For a detailed explanation of this section, see Chapter 9.

Before purchasing tutoring services from a provider, please note:

- **Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established.** Any services, resources, and/or equipment purchased using IEA funds shall only be used by the participating student whose IEA paid for said services, resources, and/or equipment.
- **Hiring of family members is prohibited.** It is a conflict of interest and is considered a misuse of IEA funds against IEA Program rules and procedures for a family member of a participating student, including step parent or member of an eligible student's household, to derive any financial benefit from the IEA Program.
- **Family members cannot provide professional recommendations.** It is also a conflict of interest and against IEA Program rules and procedures for a family member of a participating student, including step parent or a member of a participating student's household, to provide a professional recommendation or approval for a service or the use of computer hardware or other technological device for the participating student.
- **Tutoring services must be accredited.** Parents must submit accreditation on behalf of the tutor for each specific subject area. Depending on the type of accreditation, the tutor may be pre-approved to tutor in many subject areas.

Account holders must submit credentials for each tutor (or accredited facility) teaching their child only once per school year. If services are discontinued and a new tutor is hired, new credentials are required to be submitted before IEA funds are used to pay the new tutor.

Parent expense report submissions for tutoring services must be itemized on the IEA Expense Report (see Chapter 10).

Curriculum

Curriculum is defined as a complete course of study for a particular content area or grade level, including any supplemental materials required by the curriculum. **The TDOE does not endorse or approve any particular curriculum and it is the role of the parent to decide which is best for their child.**

Parents may use IEA funding to purchase curriculum for the child who is enrolled in the IEA Program. The TDOE does not have a list of approved curriculum, but there are some guidelines that account holders must follow when purchasing curriculum:

- **Curriculum is defined as a complete course of study for a particular content area or grade level.** Curriculum must be the official, online, or written curriculum, which includes what is taught by the teacher/parent, methods used and the learning outcomes for the student. Curriculum is grade specific and is used to instruct a student in a subject for any given number of units, chapters, quarters, semesters, or years.

Please note: Computer software is considered curriculum for the purposes of the IEA Program. IEA funds can be used to purchase educational software if the software meets the definition of curriculum and is part of the complete course of study. Computer software should be reported in the curriculum section of the IEA Expense Report.

- **Parents may use IEA funding to purchase supplemental materials only if the supplemental material is recommended by the curriculum.**

Examples of Approved Supplemental Materials	Disallowed Expenses
Science experiments, lab equipment (e.g., microscope)	Toys
Books	Puzzles
Educational maps	Dolls
Flashcards	Workshops
Workbooks	Art Supplies

Protractors, calculators, and math manipulatives (e.g., math counting blocks)	Consumable educational supplies (e.g., magazines, pens, pencils, salt, sugar, batteries, light bulbs, matches, clocks, construction paper, pencils, color pencils, markers, etc.)
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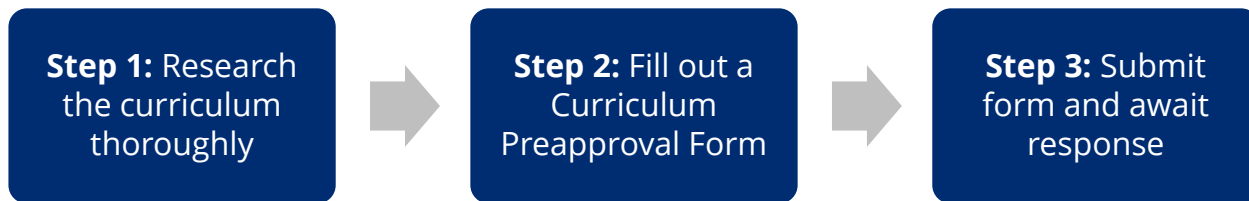
- **IEA funds may be used for educational field trips (e.g., to the zoo, museums, etc.) if they are pre-approved by the TDOE and meet the following criteria:**
 - the student is participating in an educational class through a participating private school (If a child is registered as an independent homeschooled student and in the IEA Program, the account holder may use IEA funding to pay for the cost of admission for the child to museums and zoos if the account holder receives prior-approval from the TDOE);
 - the field trip is in state (out-of-state and overnight field trips will not be approved); and
 - the account holder receives prior-approval from the TDOE to use IEA funds for the field trip.
 - IEA funds cannot be used to pay for transportation to/from a fieldtrip.
 - The cost of the field trip must be included in the private school fees on the expense report and account holders must submit a receipt. If the student is homeschooled, fieldtrip expenses should be included in the "Curriculum" section of the expense report.

Parents should request pre-approval for fieldtrips at least 30 calendar days prior to the date of the fieldtrip. To request preapproval for a fieldtrip, submit the Fieldtrip Preapproval Form (see the Account Holder Portal to view the form) with a detailed explanation of how the fieldtrip is related to a specific class/course the student is enrolled in, the location (e.g., museum name), a list of the itemized costs (e.g., \$20 admission fee to the museum for the child), and if it is through a private school, the name of the school.

All allowable curriculum supplements detailed on an expense report must be itemized and written as a supplement to a companion curriculum. The TDOE reserves the right to audit reports and may ask for additional documentation.

Three steps to receive prior approval for curriculum materials

If in doubt as to whether a curriculum would be approved, account holders are **encouraged** to submit a request form to the TDOE to ensure the chosen curriculum is compliant with statute, rules, and procedures.



- 1) Research your curriculum thoroughly before submitting a request.
- 2) Fill out the Curriculum Preapproval Form (see the Account Holder Portal to view the form) and submit it to the TDOE. All IEA forms can be found in the IEA Account Holder Portal.
- 3) Allow 30 calendar days for a response from the TDOE via email.

Reselling curriculum

It is unlawful for an account holder or third party to financially benefit from the sale of any product purchased using funds distributed by the IEA Program. All IEA funds are solely approved for the use and benefit of the student enrolled in the IEA Program and their education. Resale of items purchased with IEA funds is considered a violation of the contract and may be grounds for removal and referral to the Attorney General's Office for investigation.

Parents may, after a two year period, donate used books and materials purchased with IEA funds to a 501(c)3, public or private school, religious organization, or an individual family who is not enrolled in the IEA Program.

Transportation

Parents may use IEA funding to pay for fees for transportation paid to a **fee-for-service** transportation provider. Transportation fees can only be used for transportation to/from participating schools and providers (including approved tutors and therapists).

IEA funds **cannot** be used to pay:

- the account holder, a family or household member, or another IEA account holder in accordance with Rule of the SBE Chapter 0520-01-11-.11;
- for gas or carpooling services; or
- for transportation to/from a fieldtrip.

Test Fees

Parents may utilize IEA funds to pay for their student to participate in norm-referenced tests in order to inform the account holder of the student's academic progress and to

meet the assessment requirement for the IEA Program set by state law (see Chapter 6 for more information and for the list of approved norm-referenced tests).

Parents may also use IEA funding to pay for Advanced Placement tests and college placement and admissions tests. The TDOE will accept, including but not limited to, the following college placement and achievement test expenses:

- American College Test (ACT)
- Stanford Achievement Test (SAT)
- Preliminary SAT (PSAT)

Parent expense report submissions for testing fees for norm-referenced tests and college placement tests must be itemized on the IEA Expense Report.

Educational Therapies/Services from Licensed/Accredited Practitioner/Provider

IEA funding may be used to pay for educational therapies or services for participating students from a licensed or accredited practitioner or provider. "Educational therapies" are defined as individualized services designed to develop or improve academic performance through instructional and therapeutic techniques. **The therapy for the student must be from a licensed or accredited practitioner or provider and account holders must receive preapproval from the TDOE before using IEA funds to pay for therapy services by completing the Therapy Service Agreement Form (see Chapter 9).**

Computer Hardware and Other Technological Devices

IEA funds may be used to purchase computer hardware or other technological devices approved by the TDOE or a physician that is used for the student's educational needs. Examples of computer hardware and technological devices include laptop computers, tablets, printers, scanners, and assistive technology devices. If an account holder is unsure of whether or not a device is an approved expense, please contact the TDOE.

Computer hardware or other technological devices must meet one of the following criteria:

1. The technology is a required device for communication or physical access to instruction due to the adverse impact of the disability for which the student qualifies to receive an IEA
- or**

2. The technology allows a student to access instruction or instructional content.

Account holders must receive **pre-approval** from the TDOE or a licensed treating physician before purchasing computer hardware using IEA funds. Parents must either receive pre-approval from the TDOE by completing and submitting a Computer Hardware Pre-Approval Form (see the Account Holder Portal to view the form) completed by a licensed treating physician before IEA funds are expended.

Please note:

- Account holders **may not** use IEA funds to purchase internet services.
- Computer software is considered curriculum for the purposes of the IEA Program.

Three steps to receive prior approval for computer hardware and technological devices



- 1) Research the technology thoroughly before submitting a request.
- 2) Fill out the Computer Hardware Pre-Approval Form (see the Account Holder Portal to view the form) and submit it to the TDOE through the portal. All IEA forms can be found in the IEA Account Holder Portal.
- 3) If choosing to receive pre-approval from a licensed treating physician, submit the signed pre-approval form through the portal
- 4) Allow 30 calendar days for a response from the TDOE via e-mail.

Fees for Management of IEA by Private Financial Management Firm

Fees related to using the IEA debit card. More information and a list of approved fees will be made available to account holders in Jan. 2016.

Achieving a Better Life Experience (ABLE) Account Contributions

IEA Account holders may contribute IEA funds to an ABLE savings account. ABLE is a savings program that is designed to help individuals with disabilities save funds for qualified expenses.

ABLE contributions can only be made Aug. 1–July 31 of the IEA contract year in which the contribution was made. More information about contributions to ABLE accounts will be available in Jan. 2017.

To learn more about ABLE, visit <http://abletn.gov>

530 Coverdell Education Savings Account Contributions

A 530 Coverdell Education Savings Account is a type of educational savings plan and is an approved IEA expense. The purpose of a 530 Coverdell is primarily to save money for a student to attend college.

Up to \$2,000 of the IEA award may be contributed to a 530 Coverdell Account on behalf of each student enrolled in the IEA Program each year. Coverdell contributions can only be made Aug. 1–July 31 of the IEA contract year in which the contribution was made.

A Coverdell account must:

- be opened in the account holder's name only,
- be awarded for the student enrolled in the IEA Program (beneficiary) only, and
- the IEA account holder must also be the signatory on the 530 Coverdell account.

All investments in a Coverdell account must be recorded and submitted as part of the expense report along with the following documentation:

- Student's account overview from the financial institution showing that the Coverdell is opened in the account holder's name and that the student enrolled in the IEA Program is the beneficiary
- Account statements

***Please Note:* Transferring IEA funds into a federal 530 Coverdell account in the student's name will make the funds taxable income. Before proceeding, account holders must be aware that this may affect student's eligibility for postsecondary financial aid.**

More information regarding Coverdell accounts are found in section 530 of the Internal Revenue Code (26 U.S.C § 530). For more general information about Coverdell accounts please visit: <http://www.irs.gov/publications/p970/ch07.html>

Chapter 9 Key Points

- Account holders may choose to replace or supplement their child's education by hiring tutors and therapy providers using IEA funds.
- Account holders must receive pre-approval from the TDOE before using IEA funds to pay for educational therapy and tutoring services.
- Account holders must:
 - Verify that the tutor/therapist meets the qualifications listed in Chapter 9 (e.g., licensure).
 - Verify that the individual/organization meets the requirements listed in Chapter 9 (e.g., holds professional liability insurance, has completed a criminal background check in compliance with the IEA rules).
- The TDOE requires documentation of academic or professional credentials or accreditation in order to prove that an individual or facility is qualified to instruct students and/or provide educational therapies.
- All therapy services through the IEA Program must be "direct service," meaning that they must be **directly related** to the education of the student. IEA funds **cannot be used to pay for medical therapy**.

Chapter 9: Tutors and Therapy Providers

Parents must “provide an education for the participating student in at least the subjects of reading, grammar, mathematics, social studies, and science” (T.C.A. § Title 49, Chapter 10, Part 14).

In many cases, account holders may choose to replace or supplement their child’s education by hiring tutors and therapy providers using IEA funds. While the IEA Program requires instruction in reading, grammar, mathematics, social studies, and science, it does not limit account holders to those subjects alone. To guide spending, reduce fraud, and support account holders, the TDOE has issued guidelines for the following areas:

- Therapy Providers
- Tutors

Accreditations and credentials help inform account holders and the TDOE about the qualification and competency of tutors and therapists. The academic and professional world make use of credentials, like diplomas, degrees, licenses, and certifications to show the completion of specific training or education by an individual that demonstrates knowledge, skills, and abilities that are necessary to practice a particular occupation such as teaching and therapy.

The TDOE requires documentation of academic or professional credentials or accreditation in order to prove that an individual or facility is qualified to instruct students and/or provide educational therapies. While there are many forms of credentials and accreditations with varying levels of credibility, the IEA Program will only accept those listed in this chapter for tutors (instructors) and educational therapists.

Please Note: Account holders may not hire and pay family members to provide services to their children or provide professional recommendations or approvals for services or use of funds.

Therapy Providers

Parents must complete and submit to the TDOE an Educational Therapies and Services Agreement Form for each student to approve the license/accreditation of the therapist/provider before the account holder contracts for services with the therapist/provider and/or pays the therapist/provider using IEA funds. **This form must be completed and submitted to the TDOE before IEA funds can be used to pay for services.** Forms only have to be submitted once per school year for each provider (see the Account Holder Portal to view the form).

Therapist licensure

Similar to tutors, account holders must annually provide to the TDOE the licensure information of therapists providing educational therapies and services to students enrolled in the IEA Program. Many licenses expire and any license that has expired must be renewed and submitted to TDOE in order for the therapist to continue being paid with IEA funds. The following are the only approved therapist credentials accepted by the TDOE:

- State teacher license endorsement:
 - School Audiologist Pre-K–12 (Tennessee license code 469)
 - School Counselor Pre-K–12 (Tennessee license code 487)
 - School Psychologist Pre-K–12 (Tennessee license code 489)
 - Speech/Language Pathologist Pre-K–12 (Tennessee license code 498)
 - Speech/Language Teacher (Tennessee license code 458)
- State physician licenses:
 - Medical doctors licensed under Title 63 Chapter 6
 - Doctors of osteopathy licensed under Title 63 Chapter 9
 - Podiatrists licensed under Title 63 Chapter 3
 - Chiropractors licensed under Title 63 Chapter 4
 - Dentists licensed under Title 63 Chapter 5
 - Nurses licensed under Title 63 Chapter 7
 - Optometrists licensed under Title 63 Chapter 8
 - Pharmacists licensed under Title 63 Chapter 10
 - Psychologists licensed under Title 63 Chapter 11
 - Occupational and Physical Therapists licensed under Title 63 Chapter 16
 - Dispensing opticians licensed under Title 63 Chapter 14
 - Speech Pathologists and Audiologists licensed under Title 63 Chapter 17
 - Physicians Assistants licensed under Title 63 Chapter 19
 - Professional Counselors, Marital and Family Therapists and Clinical Pastoral Therapists licensed under Title 63 Chapter 22
 - Social Workers licensed under Title 63 Chapter 23
 - Athletic Trainers licensed under Title 63 Chapter 24
 - Dieticians and Nutritionists licensed under Title 63 Chapter 25

Parents can check state teacher licensure on the TDOE website: <https://apps.tn.gov/eli-app/search.html>

Parents can check physician licensure on the Tennessee Department of Health's website: <https://apps.health.tn.gov/Licensure/default.aspx>

There are some therapist-related expenses that IEA funds cannot be used to pay for:

- Any fees or costs due to cancelled or missed appointments
- Paraprofessionals to provide therapy or services because the TDOE does not currently license paraprofessionals

Please make sure that you are obtaining a complete invoice from your therapist.

See Chapter 10 for more details regarding submitting receipts and expense reports.

Educational Therapies and Services Agreement Form

Parents must complete and submit to the TDOE an Educational Therapies and Services Agreement Form for each student to approve the license/accreditation of the therapist/provider before the account holder contracts for services with the therapist/provider and/or pays the therapist/provider using IEA funds. **This form must be completed and submitted to the TDOE before IEA funds can be used to pay for services.** Forms only have to be submitted once per school year for each provider (see the Account Holder Portal to view the form).

All therapy services through the IEA Program must be “direct service,” meaning that they must be directly related to the education of the student. Parents must include the following information on the Therapy Service Agreement Form:

1. the credentials of the therapist/provider (e.g., license type and license number);
2. the type of therapy being provided; and
3. a detailed description of how the therapy/service is meeting the student’s educational needs.

No individual providing services to students enrolled in the IEA Program can have been convicted of a felony, including conviction on a plea of guilty, a plea of nolo contendere or order granting pre-trial diversion. On the form, account holders must attest that the provider:

- complies with the criminal background check rules pursuant to the rules of the SBE 0520-01-11
- and**
- holds professional liability insurance

To ensure that providers meet these two requirements, parents should request to see **verification** of the provider’s professional liability insurance and criminal background check to ensure both comply with the IEA Rules.

Examples of verification of criminal background checks include:

- the organization's policy or employee manual showing that employees are required to pass the criminal background check
- a copy of the criminal background check

Examples of verification of professional liability insurance include:

- a certificate of professional liability that covers the individual provider
- a certificate of professional liability that covers the company

What standards must the criminal background check meet?

- A "Criminal background check" at a minimum shall include, but not be limited to, a check of the following: Tennessee's Sex Offender Registry and the Abuse Registry of the Tennessee Department of Health.
- All service providers and employers of service providers must maintain documentation that any person providing services to participating students has undergone a fingerprint based criminal history records check conducted by the Tennessee Bureau of Investigation (TBI) and forwarded by the TBI to the Federal Bureau of Investigation for processing pursuant to the National Child Protection Act.
- All participating schools must maintain documentation that all persons working on school grounds when students are present and/or providing services to students have undergone a fingerprint based criminal history records check conducted by the Tennessee Bureau of Investigation (TBI) and forwarded by the TBI to the Federal Bureau of Investigation for processing pursuant to the National Child Protection Act.

Please note: Parents must submit an Educational Therapies and Services Agreement Form for each provider once per school year. Parents only have to submit one Educational Therapies and Services Agreement Form for each provider once per year, unless the services being provided change from what was described on the form submitted for that school year. Educational Therapies and Services Agreement Forms are only valid for the school year in which they are submitted and account holders must submit a new Educational Therapies and Services Agreement Form, and all accompanying documentation, for each provider every school year.

Insurance co-pays

It is crucial that the difference between educational therapies and medical priorities be distinguished. Therapies provided to students using IEA funds must be “educational therapies” under the law and rules and provide services designed to develop or improve academic performance through instructional and therapeutic techniques. The vast majority of insurance co-pays cover basic medical costs (e.g., eye exams, sports physicals, psychological therapy, etc.) and are associated with private medical care. IEA funds cannot be used to pay for private medical expenses already paid through insurance co-pays and those that are categorized as a disallowed expense.

Tutors

Parents must submit the Tutoring Services Agreement Form (see the Account Holder Portal to view the form) to the TDOE and receive approval *before* IEA funds can be used to pay the tutor. IEA funding may be used to hire tutors for the following list of approved subject areas:

Approved Subject Areas for Tutoring
Computer Technology (including computer applications, computer literacy, computer programming, and interactive multimedia design)
Fine arts
English language arts (including reading and grammar)
Health education
Mathematics (including algebra 1, algebra 2, geometry, calculus, trigonometry, pre-calculus, statistics)
Personal finance
Science (including biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, ecology)
Social studies (including economics, psychology, sociology, U.S. history, world history, geography, ancient history, African American history, U.S. government and civics)

World language

Parents may submit a request to add a subject area to this list by completing the Tutor Subject Add Request Form (see the Account Holder Portal to view the form) and submitting it. All IEA forms can be found in the IEA Account Holder Portal.

Parents should research the subject thoroughly before submitting a request.

Please make sure that you are obtaining a complete invoice from your tutor. See Chapter 10 for more details regarding submitting receipts and expense reports.

Process to Approve a Tutor

Identify the subject in which your child requires tutoring.

Verify that it is an approved subject from the list included in this handbook.



Locate an individual tutor or a tutoring facility that meets the qualifications outlined in this chapter.



Complete the Tutoring Service Agreement Form and submit it to the TDOE.



IEA funds may be used to pay the tutor and instruction may begin once the TDOE approves the Tutoring Service Agreement Form.



Submit the next expense report detailing payment to the tutor and attach the receipt.

Tutor qualifications

Tutoring services may be provided by:

- Individual Tutors: Individuals must have either:
 - a state teaching certificate (in elementary, secondary, or special education);
 - National Board Certification;
 - passed the Praxis test in the subject area/ grade level; or
 - have a bachelor's degree or higher in the specific subject area being taught from an accredited postsecondary institution.
- Tutoring organizations: Organizations must be accredited by one of the following accrediting agencies listed in the "Tutoring Organizations" section below.

IEA funding may not be used to pay paraprofessionals to tutor because the TDOE does not currently license paraprofessionals.

The TDOE requires account holders to submit accreditation and credentials on behalf of the tutor each school year to maintain that instructor's eligibility to receive IEA funds (see Chapter 9).

Tutoring Organizations:

Parents must submit to the TDOE the learning center or tutoring facility's credentials/accreditation in place of the individual tutor(s) by completing the Tutoring Services Facility Agreement Form (see the Account Holder Portal to view the form) and submitting it to the TDOE. This is especially helpful if the student sees multiple tutors within the center or facility. Approved accreditations include:

- Any accreditation division of AdvancED: the North Central Association Commission on Accreditation and School Improvement (NCA CASI), the Northwest Accreditation Commission (NWAC), and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI)
- Middle States Association of Colleges and Schools (MSA)
- New England Association of Schools and Colleges (NEASC)
- Western Association of Schools and Colleges (WASC)
- Council on Occupational Education (COE)

No individual providing services to students enrolled in the IEA Program can have been convicted of a felony, including conviction on a plea of guilty, a plea of nolo contendere or order granting pre-trial diversion. On the Tutoring Services Agreement Form, account holders must attest that they have reviewed the provider's criminal background check pursuant to the rules of the SBE Chapter 0520-01-11.

Individual Tutor Qualifications

For individuals to be approved through the IEA Program to provide tutoring services, they must meet one of the following requirements:

- A state teaching certificate in elementary education (issued by one of the 50 states in the U.S. only)
- A state teaching certificate in secondary education (issued by one of the 50 states in the U.S. only)
- A state teaching certificate in special education (issued by one of the 50 states in the U.S. only)
- National Board Certification: An advanced teaching certification given by the National Board for Professional Teaching Standards to teachers who demonstrate strong knowledge of content, ability to advance student learning through appropriately designed lessons and assessments, as well as the ability to collaborate with parents coworkers, and their community
- Bachelor's degree or higher in the specific subject area being taught from an accredited university
- Praxis exam: Passed all applicable portions of the Praxis exam for the subject area and/or grade level being taught

State teaching certificates/licenses do not have to be current (e.g., a retired teacher with an expired teaching license may qualify as an IEA tutor); however, individuals with licenses that have been suspended or revoked will not qualify as IEA tutors. Parents can find out if a tutor has a Tennessee teacher license by searching by name at: <https://apps.tn.gov/eli-app/search.html>

To prevent misspending, card holders may not hire and pay family members, including stepparents or members of an eligible student's household, to instruct their children. Every account holder must fill out a Tutoring Services Agreement Form for each student to ensure their credentials before beginning instruction (please see Chapter 9 for details and the IEA Account Holder Portal for the form itself).

On the Tutoring Services Agreement Form, account holders must attest that they have reviewed the provider's criminal background check pursuant to the rules of the SBE Chapter 0520-01-11

Chapter 10 Key Points

- State law and the IEA Contract require account holders to report spending of IEA funds to the TDOE on a **quarterly basis**. Every penny spent must be accounted for.
- The TDOE must receive complete expense reports **before** the IEA funding for the next quarter will be disbursed.
- The TDOE may suspend or close an IEA account if the account holder or qualified student fails to submit a complete expense report.
- Account holders are encouraged to submit receipts to the TDOE on an ongoing basis as IEA funds are expended. For example, you can submit a receipt and expense to the TDOE for review as soon as you spend the funds; you don't have to wait to submit all your quarter's expenses when the expense report is due.
- Expense reports will be submitted electronically through the IEA Portal, including the submission of receipts.
- Account holders should only report the amount **charged on the IEA card**. Personal funds spent on educational expenses **should not** be included on the expense report.

Chapter 10: Expense Reports

When an account holder enters into an IEA contract with the TDOE, the account holder assumes the responsibility of reporting spending of all IEA funds to the TDOE on a quarterly basis. IEA funds may only be used on specific allowable expenses which are authorized by statute (see Chapter 8 for details). The TDOE is authorized to review all expenditures and request further information if needed from the IEA account holder.

To comply with **state law and the IEA contract**, an IEA account holder must submit expense reports and documentation, including receipts, quarterly for verification prior to disbursement of the next quarter's funding (see the Account Holder Portal to view the expense report). The TDOE must receive the complete expense reports and all receipts before the IEA funding for the next quarter will be disbursed.

The submission of expense reports every quarter is crucial in maintaining your child's enrollment in the IEA Program. This allows the TDOE to account for the appropriate spending of state funds to the taxpayers. Please see Appendix B for the For the Jan. 1– July 31, 2017, school term deadlines for submission of expense reports and quarterly disbursement dates. **Account holders are encouraged to submit receipts to the TDOE on an ongoing basis as IEA funds are expended. This will allow for faster processing of the expense reports and earlier distribution of the next quarterly IEA funding disbursement into the account holder's IEA account.**

Please note: The TDOE may suspend or close an IEA account and remove any account holder or student from participating in the IEA Program if the account holder or student fails to submit a complete expense report (including all receipts and supporting documentation) by the deadline set by the TDOE. If the account is closed, any funds remaining in the account will be forfeit and returned to the state treasurer to be placed in the state's education funding account, called the Basic Education Program (BEP) account.

IEA Expense Report Form

The IEA Expense Report Form is an electronic form in the IEA Account Holder Portal that allows the account holder to track their quarterly payments and/or purchases (expenses). The IEA account holder (name on the IEA card) must fill out the form by listing all the items for which IEA funds were expended for that quarter.

Expense Report Schedule (deadlines)

In order to continue eligibility for the IEA Program and receive quarterly IEA funding disbursements, the account holder must submit quarterly expense reports four times during each contract year. Failure to submit an expense report by the deadline may result in termination from the IEA Program.

Quarter	Expense Period	Disbursement to IEA Account*	Expense Report Due Date
1	June 1 – Sep. 30	Aug. 15	Sep. 15
2	Oct. 1 – Dec. 30	Nov. 1	Dec. 15
3	Jan. 1 – March 30	Feb. 1	March 15
4	April 1 – May 31	May 1	May 15

*If expense report from the prior quarter was submitted by the due date

Tuition, Fees, and/or Textbooks Required at a Participating Private School

If an account holder is making a payment to a private school, the following must be included on the expense report:

- name of the school (do not use “tuition” or “private school”),
- the amount spent using IEA funds during the respective quarter,
- the date of the purchase, and
- the type of expense.

Please do not indicate the total amount of the school tuition or include personal funds used. **Include only the amount charged on the IEA card.** If additional fees were charged by the private school, this must appear on the fees assessed by the private school, and you must include the type of fee (e.g., registration fees, test administration fees, etc.).

If an account holder expends IEA funding on textbooks required by the private school, the account holder must list the textbooks required by the private school on the expense report in the appropriate category and submit the Participating Schools Required Textbooks Affidavit Form before the expense report is submitted (see the Account Holder Portal to view the form).

Along with the expense report, account holders must submit a **complete paid invoice** from the school.

For example:

School Name #1:	ABC Private School
Tuition Amount:	\$3,290.15
Date of Purchase:	1/1/2017

Private School Fees		Amount
School Name:	ABC Private School	\$150.00
Date of Purchase:	1/1/2017	
Fee Description:	Registration Fee (ABC Private School)	

Textbooks REQUIRED by the Private School		Amount
School Name:	ABC Private School	\$409.85
Date of Purchase:	1/1/2017	
Textbook Name:	Volunteer State Reading	

Tuition/Fees at Online Learning Program/Courses

This section only applies to tuition/fees for individual online courses and/or enrollment in online programs. If a child enrolls full-time in a virtual education program, the expense report submission guidelines for using IEA funding for tuition, fees, and/or required textbooks for participating nonpublic schools would apply. Curriculum materials purchased for use in an online learning program or course would follow the expense report submission guidelines for curriculum.

If your child takes an individual course(s) at an online private school, the following must be included on the expense report:

- name of the program,
- date of purchase,
- name of required textbooks, and
- the amount paid for the quarter with your IEA card.

Do not indicate any personal funds used or total amount of tuition.

Along with the expense report, account holders must submit a **complete paid invoice** from the online learning program.

For example:

Online private tuition, required textbooks, and fees		Amount
Online Program Name:	ABC Online School	\$1,000.00
Date of Purchase:	1/1/2017	
Subscription Fee:	Annual fee	\$500.00
Required Textbooks:	Volunteer State History	\$174.30

Public School Services

If an account holder contracts with a school district to provide services (including individual classes and extracurricular programs), each service will need to be listed on the IEA expense report. IEA funds cannot be used to purchase commodities (e.g., uniforms).

If your child receives services from a public school, the following must be included on the expense report:

- name of the school,
- name of school district,
- date of purchase, and
- the amount paid for the quarter with your IEA card.

Along with the expense report, account holders must submit a **receipt** and a **copy of the contract for services** with the public school district.

For example:

School Name #1:	ABC Public School
School District #1:	ABC School District
Date of Purchase:	1/1/2017
Tuition Amount:	\$1,500.00

Public school Fees		Amount
School Name:	ABC Public School	\$150.00
Date of Purchase:	1/1/2017	
Fee Description:	Registration Fee	

Tuition, Fees, and/or Required Textbooks at Postsecondary Institutions

If an account holder is making a payment to an eligible postsecondary institution, the following must be included on the expense report:

- name and address of the postsecondary institution (do not use "tuition" or "college");
- date of purchase; and
- the amount spent using IEA funds during the respective quarter.

Please do not indicate the total amount of the institution or include personal funds used. **Include only the amount charged on the IEA card.** If additional fees were charged by the postsecondary institution, this must appear on the fees assessed by the postsecondary institution, and you must include the type of fee (e.g., registration fees).

If an account holder expends IEA funding on textbooks required by the postsecondary institution, the account holder must list the textbooks required by the institution on the expense report in the appropriate category and submit the Postsecondary Textbook Approval Affidavit Form before the expense report is submitted (see the Account Holder Portal to view the form).

Along with the expense report, account holders must submit a **complete paid invoice** from the postsecondary institution.

For example:

Postsecondary school tuition and fees (Please write the NAME of the school)	
College/ University Name:	ABC College
College/ University Address:	1234 Ready Lane, Nashville, TN 37243
Date of Purchase:	1/1/2017
Tuition Amount:	\$3,290.15
Fee Amount:	\$150.00

Textbooks REQUIRED by the postsecondary institution		Amount
School Name:	ABC College	\$409.85
Textbook Name:	English Composition 1 textbooks	
Date of Purchase:	1/1/2017	

Educational Therapies and Services

If an account holder is paying for educational therapies and services, the following must be included on the expense report:

- the name of the therapist;
- business name (if applicable);
- the date of service(s);
- the date of purchase;
- type of therapy (e.g., speech therapy, physical therapy); **and**
- the total amount of IEA funds used to pay for the therapy services.

Remember a Therapy Service Agreement Form must be approved by the TDOE before IEA funds can be used to pay for therapy services.

Along with the expense report, account holders must submit a **complete paid invoice** from the therapist.

For example:

Educational Therapies and Services	
Therapist Name:	Dr. John Smith
Name of Business (if applicable):	Volunteer Therapy, Inc.
Date of Services:	2/15/2017, 2/26/2017
Date of Purchase:	2/14/2017
Type of Therapy:	Hearing Therapy
Amount:	\$1,500.00

Tutoring Services

If an account holder has paid a tutor using IEA funds, the following must be included on the expense report:

- the name of the tutor,
- the name of the tutoring facility (if applicable),
- the date(s) of services,
- the date of purchase, **and**
- the total amount of IEA funds used to pay for the tutoring services.

Along with the expense report, account holders must submit a **complete paid invoice** from the tutor/tutoring organization. Parents must submit the Tutoring Services Agreement Form (see the Account Holder Portal to view the form) to the TDOE and receive approval *before* IEA funds can be used to pay the tutor.

For example:

Tutoring Services	
Tutor Name #1:	Susie Jones
Facility Name (if applicable):	XYZ Tutoring Center
Date of Service:	2/14/2017, 2/16/2017
Date of Purchase:	2/14/17
Tutoring Subject:	Algebra
Amount:	\$257.34

Curriculum

When reporting curriculum purchases, the following must be included on the expense report:

- what is included in the curriculum package,
- name of curriculum,
- date of purchase,
- where the curriculum was purchased,
- grade level the curriculum is being used for, and
- the total amount of IEA funds used to pay for the curriculum.

Along with the expense report, account holders must submit a **receipt**.

For example:

Curriculum	
Name of Curriculum:	Volunteer State Algebra
Name of Supplemental Materials (if applicable) :	Calculator

Web Link to Curriculum and Supplemental Materials:	http://algebraiscool.com
Where the Curriculum was Purchased:	Algebra is Cool, Inc.
Subject Area:	Algebra
Grade Level:	9
ISBN Number:	####-#-##-#####-#
Date of Purchase:	1/1/2017
Amount:	\$450.98

Computer Hardware and Technological Devices

Parents must receive prior approval from the TDOE or a licensed treating physician before purchasing computer hardware/technological devices using IEA funds. The computer hardware (or other technological devices) must be used for the student's educational needs and be a required device for communication or physical access to instruction due to the adverse impact of the disability for which the student qualifies to receive an IEA or allows a student to access instruction or instructional content. Parents must either receive prior approval from the TDOE or a licensed treating physician by completing and submitting a Computer Hardware and Technological Devices Pre-Approval Form (see the Account Holder Portal to view the form).

When reporting computer hardware and technological devices purchases, the following must be included on the expense report:

- name of device,
- date of purchase, and
- the total amount of IEA funds used to pay for the hardware or device.

Along with the expense report, account holders must submit a **receipt**.

For example:

Computer Hardware/ Technological devices

Name of computer hardware/ technological device:	ABC 17" Laptop
Date of Purchase:	1/1/2017
Amount:	\$429.99

Transportation

Parents may use IEA funding to pay for fees for transportation paid to a **fee-for-service** transportation provider.

If an account holder is making a payment to a transportation provider, the following must be included on the expense report:

- name of transportation provider (do not use vague terms such as “bus” or “taxi service”);
- the amount spent using the IEA card during the respective quarter;
- destination name (e.g., name of provider, name of school); and
- date of transportation.

Please do not include personal funds used. Include only the amount charged on the IEA card.

Receipts of all fees paid to transportation providers must be submitted with the expense report. If using IEA funding to pay for bus transportation, it is recommended that account holders purchase a bus pass (as opposed to paying the bus fare on the bus) to generate a receipt of the funds expended.

For example:

Transportation Service Provider		Amount
Transportation Company:	Nashville MTA	\$58.50
Date of Purchase:	1/20/2017	
Destination:	ABC Private School	

Test Fees

IEA funds may be used to pay for norm-referenced tests, Advanced Placement tests, or any examinations related to college or university admission. Simply provide the name of the test in the category of “Testing Fees.”

If an account holder is using IEA funds for test fees, the following must be included on the expense report:

- name of test,
- date of purchase,
- date of test, and
- total amount of IEA funds used to pay for the test fees.

Along with the expense report, account holders must submit a **receipt**.

For example:

Testing Fees: Norm-Referenced Tests		Amount
Name of Test:	ACT	\$75.00
Date of Purchase:	2/15/2017	

Achieving a Better Life Experience (ABLE) Account Contributions

Instructions for reporting contributions to ABLE accounts will be added to the IEA Account Holder portal in Jan. 2017.

Coverdell Education Savings Account Contributions

IEA funds may be used to make contributions to 530 Coverdell Education Savings Accounts. IEA account holders may contribute up to \$2,000 of the annual IEA award each tax year (please see Chapter 8 for details). On the expense report, account holders should indicate the financial institution that opened the account, the last five digits of the account number, and provide all the account documentation including account statements and an account overview from the financial institution showing that the Coverdell is opened in the account holder’s name and that the student enrolled in the IEA Program is the beneficiary.

If an account holder is using IEA funds for Coverdell contributions, the following must be included on the expense report:

- name of financial institution,
- date of contribution,
- last five digits of account number, and
- total amount of IEA funds contributed to the account.

For example:

530 Coverdell – Educational Savings Plan Contribution	
Financial Institution Name:	ABC Bank
Date of Contribution:	2/1/2017
Last Five Digits of Account Number:	12345
Amount	\$2,000.00

Disallowed Expenses

If an account holder intentionally or unintentionally misuses IEA funds on unapproved expenses, those expenses must be reported in the “Disallowed Expenses” section of the expense report and **repaid** following the process outlined in Chapter 7.

If an account holder misuses funds, the following must be included on the expense report:

- description of expense,
- date of purchase, and
- total amount of IEA funds misused.

Disallowed expenses	
Expense Description:	ABC Theme Park
Date of Purchase:	1/19/2017
Amount:	\$1,689.00

Chapter 11 Key Points

A student may **exit** the IEA Program in one of four ways:

1. Voluntary withdrawal: The account holder chooses to withdraw the student from the IEA Program. Account holders may do this at **any** time.
 2. Non-renewal: The account holder chooses not to renew the student's IEA contract for the next school year.
 3. Completing the IEA Program: The student exits the IEA Program because he/she graduates from high school (including passing the GED or HiSET) or attains 22 years of age by August 15, whichever occurs first.
 4. Removal: The account holder is removed from the IEA Program by the TDOE.
- Account holders who **voluntarily withdraw** must submit the Withdrawal from the IEA Program Form, a final expense report, and the bank account closure form.
 - If a student withdraws from the IEA Program and returns to a public school, the credits earned at the participating nonpublic school may not be accepted as credit by the public school.
 - If a student returns to a public school, the student will be placed in **general education**. If the account holder requests, in writing, an evaluation for eligibility pursuant to the Individuals with Disabilities Education Act (IDEA), the school district shall treat the request as a request for an **initial evaluation**.

Chapter 11: Exiting the IEA Program

A student may exit the IEA Program in one of four ways:

1. Voluntary withdrawal: The account holder chooses to withdraw the student from the IEA Program.
2. Non-renewal: The account holder chooses not to renew the student's IEA contract for the next school year.
3. Completing the IEA Program: The student exits the IEA Program because he/she graduates from high school (including passing the GED or HiSET) or attains 22 years of age by August 15, whichever occurs first.
4. Removal by the TDOE: The account holder is removed from the IEA Program by the TDOE.

Voluntary Withdrawal

An account holder may withdraw a student from the IEA Program any time during the school year. In order to withdraw a student from the IEA Program and close the IEA, the account holder must complete the IEA Withdrawal Form (see the Account Holder Portal to view the form), submit a final expense report along with all supporting receipts and documentation within **15 calendar days** of the withdrawal date.

Upon receiving the notice of withdrawal, the TDOE shall send the account holder a written notice that the IEA Contract has been cancelled and that the student's IEA has been closed.

Before the IEA is closed, the TDOE will conduct a complete review of the account and the final expense report and supporting documentation. If the TDOE determines that IEA funds were misspent and that the account holder must repay IEA funds, the TDOE will notify the account holder that they will need to repay any funds before closing the IEA account. If the account holder expends IEA funds after the date of withdrawal from the IEA Program, the account holder or school/provider shall repay those funds to the state following the procedures in Chapter 7. Any remaining funds in the IEA shall be returned to the state treasurer to be placed in the state's education funding account, called the Basic Education Program (BEP) account.

Account holders should consider the following before withdrawing a student from the IEA Program:

- There is only one application window each school year for the IEA Program. If a student withdraws from the IEA Program, they will not be able to enroll in the IEA

Program until the next school year following all the instructions for applying and enrolling in the IEA Program.

- Parents/Guardians must ensure their student is meeting the compulsory school attendance requirements set by law. Tennessee law requires children ages 6–17 (inclusive) to attend school. 18 year olds are not required to attend school. Certain children ages 6–17 may be temporarily excused from attendance if they meet the exceptions outlined in T.C.A. § 49-6-3005; however, the local board of education "shall be the sole judge in all such cases." The exiting account holder may enroll their child in public school at any time after withdrawing from the IEA Program, keep the student enrolled in the nonpublic school the child is currently attending, or enroll their child in another nonpublic school.
- If a student withdraws from the IEA Program and returns to a public school, the credits earned at the participating nonpublic school may not be accepted as credit by the public school. **Participation in the IEA Program does not guarantee that credits earned at participating schools and/or homeschools will transfer to a public school.** The transfer of credit shall be in compliance with state board rule 0520-01-03-.03. Testing may be required in order to receive credit for courses.

Enrollment in a public school after withdrawal from the IEA Program

After a student leaves the IEA Program, the student may return to and attend the public school district in which the student resides and the school in which the student is zoned. Upon a student's return to the school district:

- participating schools and providers shall send all educational records of the participating student to the school district, **and**
- the school district must enroll the student and provide instruction in the **general education** curriculum.

If the account holder requests, in writing, an evaluation for eligibility pursuant to the Individuals with Disabilities Education Act (IDEA), the Tennessee public school district shall treat the request as a request for an initial evaluation under 34 C.F.R. § 300.301. After receiving the request, the public school district must, within **sixty calendar days**, conduct an evaluation to determine eligibility. If the student is determined eligible, pursuant to 34 C.F.R. § 300.323(c)(1), the public school district must conduct a meeting to develop an Individualized Education Program (IEP) within **thirty calendar days** and make specialized instruction and related services available as soon as possible following development of the IEP.

Non-Renewal

Parents may choose not to renew their annual IEA contract (see Chapter 5). Non-renewal of an IEA contract is not considered termination. The student and account holder will remain eligible to reapply in the future.

By July 1, the IEA account of account holders who have not submitted a renewal application will be closed and any unused funds will be unloaded. If repayment of funds is necessary, the TDOE will send the account holder an email requesting repayment and detailing why the funds must be repaid.

Account holders who do not submit a renewal application may reapply for the IEA Program the following school year, but funds previously rolled-over will not be reinstated.

To learn more about not renewing your IEA, see the “Voluntary Withdrawal” section.

Completing the IEA Program

A student will no longer be eligible to participate in the IEA Program and continue to receive IEA funding once the student either:

- graduates from high school (including passing the GED or HiSET)
- or***
- turns 22 years of age by August 15 of the **next** school year.

During the fourth quarter of the student’s twelfth grade year, the TDOE will email the account holder stating that the student will complete the program, the date the student’s enrollment in the IEA Program will end, the remaining balance of funds in the student’s IEA, and the date any leftover funds will be returned to the state treasurer to be placed in the state’s education funding account, called the Basic Education Program (BEP) account.

However, a student may continue in the IEA Program as a postsecondary student if:

- the account holder has leftover funds in the IEA
- and***
- the account holder wishes to enroll the student in a postsecondary institution.

If the student continues in the IEA Program, the account holder may use the remaining funds saved in their IEA account for approved postsecondary expenses. Postsecondary students in the IEA Program **do not** receive any additional payments to their IEA.

To learn more about continuing in the IEA Program as a postsecondary student, see Chapter 12.

Removal from the IEA Program by the TDOE

Pursuant to rules of the SBE Chapter 0520-01-11, the TDOE may remove any account holder from participating in the IEA Program if the account holder fails to comply with the terms of the IEA contract or applicable laws, rules or procedures, or misuses IEA funds, or fails to comply with the terms of the IEA contract. To remove a student from the IEA Program, the TDOE will:

- notify the account holder that they are being removed from the IEA Program, the reason for removal, and the account holder's right to appeal; notice of termination shall be provided electronically and via first-class USPS mail.
- freeze the funds in the IEA account and not make any further disbursements.

The account holder may appeal this decision within ten business days of the notice of removal.

Appeal Process

An account holder may appeal the TDOE's decision pursuant to the appeals procedures in the rules of the SBE 0520-01-11-.10. An account holder may appeal removal of the student from the IEA Program pursuant to the following two-step appeal process:

- **Step 1:** The appeal should be on the form provided by the TDOE and should be submitted to the commissioner of education within 10 business days of receipt of the notice of denial, suspension, termination, and/or removal. Notice of denial, suspension, termination, and/or removal shall be provided electronically and via first-class USPS mail and be deemed received three business days after the date of postmark. The commissioner of education, or the commissioner's designee, shall review the appeal shall be reviewed by the commissioner of education, or the commissioner's designee, within 30 calendar days. The commissioner's decision shall be rendered within 10 business days of the date of the review.
- **Step 2:** The account holder shall be notified of the commissioner's decision for in the step one appeal electronically and via first-class USPS. Such notice shall be deemed received three business days after the date of postmark. An appeal of the commissioner's decision in step one shall be filed with the commissioner by the account holder within 30 days and shall conform to the Uniform Administrative Procedures Act (T.C.A. Title 4, Chapter 5).

Reasons for IEA account termination

Parents/Guardians/Students may be removed from participating in the IEA Program for reasons including, but not limited to:

- failure to comply with the terms of the IEA contract or applicable laws, rules or procedures;
- misuse of IEA funds;
- fulltime enrollment in a public school, including public charter schools and public virtual education programs;
- failure to submit an expense report, and all required supporting documentation (e.g., receipts) by the deadline set by the TDOE;
- failure to provide students instruction in the areas of reading, grammar, mathematics, social studies, and science;
- failure to submit verification to the TDOE that a student in grades 3–8 has taken either a nationally norm-referenced test(s) identified by the TDOE or the TCAP test(s), or any future replacements of the TCAP test(s);
- providing false information to the TDOE (application, contract, bank form, etc.);
- fraudulent activity;
- not spending IEA funds equal to 50 percent of the yearly amount at the end of quarter four; and/or
- failure to submit required documents by the set deadline.

Chapter 12 Key Points

- If an IEA has funds remaining upon a student's graduation from high school (including passing the GED or HiSET), he or she may use funds remaining in their IEA for approved IEA expenses used for the student's postsecondary education (see the list of approved expenses in Chapters 9 and 10)
- Postsecondary students in the IEA Program do not receive **any additional payments** to the IEA.
- The account holder must comply with IEA laws, rules, and procedures, including submitting quarterly expense reports.
- The IEA account will remain open until:
 - the student graduates from a postsecondary institution,
 - the student reaches 26 years of age,
 - four subsequent years have passed since the student has first been enrolled in a postsecondary institution, **or**
 - the IEA reaches a balance of \$0.00.

Chapter 12: Postsecondary Education

Account holders may retain up to fifty percent of the annual IEA award every contract year in the IEA account until the student graduates from high school (including passing the GED or HiSET) or exits the IEA Program.

Upon graduating from high school, if the account holder has leftover funds in the IEA and wishes to enroll the student in a postsecondary institution, they may use the remaining funds for approved IEA expenses used for the student's postsecondary education (see the list of approved expenses in Chapters 9 and 10). **Postsecondary students in the IEA Program do not receive any additional payments to their IEA.**

Student Eligibility and Enrollment

A student may choose to continue in the IEA Program as a postsecondary student after graduating from high school (see Chapter 11 for more information on program completion) if:

- the student plans on attending an **eligible** postsecondary institution*;
- the student has funds remaining in his or her IEA at the time of graduation; **and**
- the student is under the age of 26.

* To learn which institutions are eligible to receive IEA funds, see Chapter 8.

In order for the student who has graduated from high school to continue in the IEA Program and use funds remaining in the IEA for the 2017-18 school year, the account holder must submit the *Student IEA Postsecondary Renewal Application* (see the Account Holder Portal to view the form) and a complete contract, including all supporting documentation (e.g., the Postsecondary Education Account Holder Assurances Form and FERPA Waiver). **Completed postsecondary renewal applications must be received by the TDOE by June 1, 2017, at 3 p.m. CDT. Completed contracts for the 2017-18 school year must be received by the TDOE by July 21, 2017, at 3 p.m. CDT.** If the renewal application and/or the completed contract is not received by this date, the student will not be enrolled in the IEA Program for the 2017-18 school year.

Parents are encouraged to submit renewal applications early to the TDOE before the deadline to give the TDOE time to review and verify that all the forms and information were submitted correctly.

Account Holder Responsibilities

All laws, rules, and procedures regarding the use of IEA funds must still to be followed. The account holder is still required to submit expense reports every quarter for IEA expenses as they have done in the years prior following the same procedures in Chapters 9 and 11 for using IEA funds for approved expenses.

The account holder must agree to comply with the following responsibilities outlined in Chapter 4:

- Legal Responsibilities
- Notification Requirements to TDOE
- Funding Responsibilities and Accountability
- Renewal of IEA
- Fraud Reporting

Closing the IEA

Unused funds in an IEA account each year can be used in **subsequent years**, up to four years after a student has aged out of the program (26 years old).

The student's IEA account shall be closed and any remaining funds returned to the state treasurer:

1. upon a participating student's graduation from a postsecondary institution;
2. four years after a student has aged out of the program (26 years old);
3. four subsequent years after a student has first been enrolled in a postsecondary institution; **or**
4. when the IEA reaches a balance of \$0.00.

Please note: The TDOE may suspend or close an IEA account if the account holder fails to submit a complete expense report (including all receipts and supporting documentation) or proof of enrollment in an institution by the deadline set by the TDOE. If the account is closed, any funds remaining in the account will be forfeit and returned to the state treasurer to be placed in the state's education funding account, called the Basic Education Program (BEP) account.